



Daily Report

Latin America

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Cuba

The Socialist Democratic Tendency, which represents the "most moderate opposition" in Cuba, announced it will not participate in the recently initiated electoral process because "it cannot offer any guarantees for anyone whose opinion disagrees with the government's," reports Madrid EFE. In a communique, the group stated: "To keep saying it is not the Communist Party that presents the candidates in Cuba insults the intelligence. Everyone knows the party controls every institution in the society." The communique added: "We shall fully respect all legal procedures regarding elections, but we will not give this electoral process legitimacy through our active participation as Cuban citizens who embrace democratic socialist ideas."

Panama

Supreme Court President Carlos Lucas Lopez announced that the Supreme Court plenary had "revoked" Attorney General Rogelio Cruz' order sending Jaime Abad, director of the Technical Judicial Police [PTJ], on "vacation" because it is the responsibility of the Supreme Court to appoint or dismiss the PTJ director, reports Panama City radio. Deputy Leo Gonzalez, president of the Legislative Assembly Narcotics Commission said Cruz wanted to "fire" Abad "in order to leave the PTJ in the hands of crack and cocaine dealers," reports LA PRENSA on 18 November. Gonzalez added that Cruz's action was taken to "prevent" Abad from running the PTJ "properly," and the institution is "100 percent under the Attorney General's command." In a similar report, EL PANAMA AMERICA adds that "Gonzalez reported that members of the Attorney General's Office are "blackmailing" PTJ Director Jaime Abad "so he will stop revealing scandalous things about Panamanian justice."

Peru

The Shining Path issued a call for a strike to "defeat the 22 November constituent elections," reports Madrid EFE. The strike was called for 21 and 22 November "through a series of dynamite attacks" and "the distribution of pamphlets threatening those who refuse to join the strike with death." In response to the Shining Path threat, the government has established a "special security operation" to guarantee the elections. Oscar de la Puente, president of the Council of Ministers, said the government "has guaranteed the people complete security for the 22 November elections," reports Lima TV. He added that "more than 100,000 policemen and Armed Forces troops" will be used to guarantee the peoples' safety at the polling stations.

Cuba

Moderate Opposition Not To Participate in Elections

PA1811042792 Madrid EFE in Spanish 0348 GMT 18 Nov 92

[Text] Havana, 17 Nov (EFE)—The Socialist Democratic Tendency, which represents the most moderate opposition in Cuba, announced on 17 November that it will not participate in the recently initiated electoral process because "it cannot offer any guarantees for anyone whose opinion disagrees with the government's."

In a communique released tonight, this group asserted: "To keep saying that it is not the Communist Party that presents the candidates in Cuba insults the intelligence. Everyone knows that the party controls every institution in the society."

After the new electoral law was approved in October, the Cuban authorities insisted that the party did not present candidates but that they are elected by the people, first in neighborhood assemblies by the method of raising hands, "where the best ones are proposed," and then by direct and secret vote.

The law provides for the creation of commissions for candidacies, in charge of preparing single, but open, lists for municipal, provincial, and national assemblies. These lists include representatives of organizations such as the Central of Cuban Workers, committees for the defense of the revolution, and the Federation of Cuban Women, among others.

"We shall fully respect all legal procedures to do with elections, but we will not give this electoral process legitimacy through our active participation as Cuban citizens who embrace democratic socialist ideas," the communique states.

The electoral process, that began last night with neighborhood assemblies in various parts of the country, will end its first stage on 20 December with municipal elections. These will be followed with provincial and national elections during the first quarter in 1993.

The text of the communique is signed by Vladimiro Roca, son of the late veteran communist leader Blas Roca, and by Rolando Prats and Gladys Rodriguez.

Nominations Begin; Escalona in Santiago de Cuba

FL1711154392 Havana Radio Rebelde Network in Spanish 1000 GMT 17 Nov 92

[Text] As in the rest of the country, the process of nominating candidates as delegates to the municipal assemblies of the people's government, as well as the process of reporting back by the current delegates to those who elected them, began yesterday in Havana. In the capital, the process began with District No. 28, El

Berro in San Agustin, which was visited by Jorge Lezcano, first secretary of the Communist Party of Cuba for Havana City Province, and Pedro Chavez, president of the Havana City People's Government.

At these assemblies, it is up to the residents to examine in depth who qualifies to be nominated as delegates to the municipal assemblies. These assemblies are, in turn, the pool from which a considerable portion of the people's representatives at the provincial level and in the National Assembly will come.

Reports from Santiago de Cuba say that National Assembly President Juan Escalona has presided over a meeting of the province's people's councils held for the purpose of exchanging experiences. At the meeting, he expressed his certainty that the people of Santiago know how to do things right and that they will be successful in guaranteeing that the electoral process is genuine.

Pedro Ross Confident of Harvest Despite Shortages

FL1711145292 Havana Radio Rebelde Network in Spanish 1000 GMT 17 Nov 92

[Text] Pedro Ross, a member of the Politburo and secretary general of the Cuban Workers Federation, has expressed his confidence that the workers of Holguin are going to devote all their efforts and intelligence to fulfilling tasks despite the limitations of the special period. This is what the union leader said at the end of a visit to Holguin Province that lasted almost four days. He was interested in seeing how the preparations for the beginning of the next sugar harvest were going.

Ross said that, as he had been able to see at the Lopez Pena, Guatemala, and Nicaragua Complexes, a shortage of the resources required for the sugar industry's preparations will not prevent the harvest from beginning because, although faced with material shortages, there is more than enough initiative and ingenuity to render serviceable those things that appeared no longer serviceable.

Health Sector Finances Expected To Improve

FL1611150392 Havana Radio Progreso Network in Spanish 1200 GMT 16 Nov 92

[Text] Public Health Minister Dr. Julio Teja has announced that next year the public health sector will be able, for the first time, to finance approximately 30 percent of its expenses by means of medicine exports, health-care tourism, training courses, and collaboration abroad. After stressing that the current year will be one of the best in regards to the infant mortality rate and other basic indicators, Teja pointed out that Cuba has the possibility of acquiring resources by producing new vaccines and by carrying out the strategic health-care tourism program.

Joint Materials Ventures With Mexico Announced

*PA1711204192 Havana Radio Havana Cuba in Spanish
0000 GMT 17 Nov 92*

[Text] Mexican Ambassador to Cuba Mario Moya Palencia said in Havana that no law or meddling by any foreign country will prevent the development of Mexico's ties with Cuba. On behalf of his country, the diplomat is conducting the negotiations that were initiated in Havana between representatives of two Mexican companies, the Bank of Foreign Trade, and the Cuban Chamber of Commerce to establish cooperation agreements in the construction materials industry.

Ambassador Moya Palencia forecast that joint investments will be made with Cuban and Mexican capital and the products will be sold to third countries. This is evidence of the Mexican Government's rejection of any meddling that seeks to prevent trade with other nations.

Haiti

Interior Minister on Progress Toward Elections

*FL1611173992 Port-au-Prince Radio Tropic FM in
Creole 1300 GMT 16 Nov 92*

[Text] The interior minister of the 19 June government, Carl Michel Nicolas, says important progress has been made toward the formation of territorial assemblies which will lead to the formation of the Permanent Electoral Council [CEP]. In his report to the Council of Ministers, he said the Departments of the South, Southeast, and Northwest have submitted their lists of candidates for the CEP. The Departments of the Center, North, Northeast, Artibonite, and Grand'Anse have set up their departmental assemblies and will submit their lists of candidates this week.

According to the interior minister's report, the Department of the West has set up nine of 18 municipal assemblies. The CEP candidates for the Department of the South are Louis Dominald Guerrier, Bernadotte Larosiliere, and Fritz Jean-Louis. For the Northeast, the CEP candidates are Michel A. Sylvain, Max Abner Etienne, and Anes Jean-Baptiste. For the Southeast, the candidates are Balthazar Sainphor Line, Bordes Veillard, and Jean Rene. The steps toward the formation of the CEP fall within the scope of the preparation for elections to be held for nine senators whose mandate will expire during the month of January.

Still, according to the report by Carl Michel Nicolas, these steps were taken after the Bazin government adopted the 23 September order on the formation of territorial assemblies. Several sectors, including political parties, organizations in the civil society, and even some parliamentarians—who are partisans of the government—questioned this decision. Thirteen senators sent a

letter to the government recently noting that the national situation is not suitable to the formation of the assemblies and the CEP.

Former Candidate Eugene To Run for Senate

*FL1611205592 Port-au-Prince Radio Metropole in
French 1900 GMT 16 Nov 92*

[Text] A potential candidate is already known in the senatorial elections. Lawyer Gregoire Eugene announced that he would run in the next senatorial elections if they are held. A former presidential candidate in the 1987 and 1988 poll, lawyer Gregoire Eugene intends to represent the West Department.

Assembly, CEP Delegates Elected in Northeast

*FL1711190092 Port-au-Prince Radio Soleil Network in
Creole 1200 GMT 17 Nov 92*

[Text] Another of the country's geographic departments has just submitted the names of three citizens to participate in the election of the nine members of the Permanent Electoral Council [CEP]. On 15 November, elections were held in Fort-Liberte so the Department of the Northeast could submit a list of three persons to participate in the institution intended to hold elections in the country. On the same Sunday [15 November], the people also elected three citizens to form the departmental assembly of the northeast. Both elections unfolded without difficulty, according to details we are going to receive from our Fort-Liberte correspondent Fritz Abellard.

[Begin Abellard recording] Elections were held in Fort-Liberte on 15 November for the formation of the departmental assembly of the northeast. Several personalities from various regions of the northeast met for those elections in the office of the northeastern delegation. Thus, (Kency Moreau), (Monce Moreau), and Bella Lamour were elected members of the departmental assembly of the northeast. On the same day, in the office of the northeastern delegation, there were elections for the choice of those who will participate in the CEP. Antoine Jacques, Massillon Joseph, and (Max Raphael Eriveaux) were elected. We remind you that those three names will be sent to Port-au-Prince where one of them will be chosen to become a member of the CEP. Fritz Abellard in Fort-Liberte for Radio Soleil. [end recording]

MDN Head on Embargo, Calls For Bazin Resignation

*FL1311172292 Port-au-Prince Radio Soleil Network in
Creole 1200 GMT 13 Nov 92*

[Excerpts] The leader of the Mobilization for National Development [MDN], Professor Hubert de Ronceray has condemned the latest OAS resolution soliciting the support of the United Nations to help it reinforce the embargo against Haiti. De Ronceray notes several important points in that resolution. First, the OAS wants to withdraw from a situation that it cannot resolve.

Second, it is sanctioning a government that has not established the necessary diplomatic strategy which could allow the embargo to be lifted. In De Ronceray's opinion, the best diplomatic strategy the government could adopt is to have more contacts with foreign governments that are in favor of lifting the embargo on Haiti. [passage omitted]

The MDN president, who thinks the Marc Bazin government has failed, proposes the installation of Justice Emile Jonassaint [current president of the Court of Cassation] as provisional president. He should hold elections within 90 days as provided for by the Constitution.

[Begin recording] [De Ronceray] [Words indistinct] pointed out the 10 points that we asked Mr. Bazin to clarify before the nation. So, in our opinion, Marc Bazin has failed. He has not accomplished what he had to carry out. He has amused himself while beating about the bush, dealing with a lot of other issues while not caring about the key issues of the Villa d'Accueil Tripartite Agreement. It is in this sense that we asked him to explain his actions to the nation and to be courageous enough to say that he has failed, to withdraw, and to give the country a chance to get out of this sort of pseudo negotiations, of mock negotiations that have ended up in a total failure. For my part, I believe that the return to Article 149 of the Constitution and then the holding of the presidential elections are Haiti's last chances to return to constitutional order, legality, and to put the country back on the rails so that Haitian democracy can finally find its place among the nations of the hemisphere and of the continent in general.

[Unidentified journalist] What do you mean when you speak of the application of Article 149 of the Constitution?

[De Ronceray, in French] Well, I mean that according to Article 149, the president of the Court of Cassation [Haitian Supreme Court] is to assume power and hold elections within 90 days. [end recording]

Let us recall that on 10 November, the OAS adopted a resolution against Haiti in which it asks that the United Nations come to reinforce the embargo so democracy can be restored in our country.

Aristide Committee on Concord Government Idea

FL1711183492 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 17 Nov 92

[“Report” on news conference by members of the pro-Aristide presidential committee on 16 November in Port-au-Prince—recorded]

[Excerpts] Father Aristide's presidential committee condemned the Marc Bazin government for setting up the territorial assemblies that will lead to the formation of the Permanent Electoral Council [CEP]. Two members of the committee, Father Antoine Adrien and Chavannes Jean-Baptiste, do not believe that the people actually

participate in these assemblies, evidenced by the fact that around 400,000 people have taken to the bush from several points in the country. The committee denounced the fact that in many communal sections, these territorial assemblies are being set up by section chiefs. Father Adrien said that Bazin is trying to take possession of power that he cannot win through elections, rather than implementing the 29 March Constitution. [passage omitted]

In view of the country's current situation, Father Aristide's presidential committee remains convinced that only the 16 December government can bring a solution to the crisis, and that it is also the only means of preventing Haitians from venturing onto the sea in search of a better standard of living abroad. [passage omitted]

Father Aristide's presidential committee also agrees with the idea of a national concord government, which was proposed by several sectors. According to the committee, the discussions to be held on this matter must take place in a favorable political climate. To achieve this, the committee asks that the OAS and the United Nations unite on the Haitian issue, that they act jointly to increase the OAS civilian mission in Haiti to create an atmosphere of freedom.

These were the results of yesterday's news conference by the Aristide presidential committee, in assessing the country's current situation.

Aristide Committee Reiterates Proposals for Solution

FL1611220892 Port-au-Prince Radio Tropic FM in French 1900 GMT 16 Nov 92

[Text] The presidential committee formed by President Jean-Bertrand Aristide has reiterated its recommendations for finding a solution to the Haitian crisis. During a news conference held today at the Christopher Hotel, the members of the presidential committee, Antoine Adrien, Chavannes Jean-Baptiste, and Jean Moliere, pointed out various proposals such as the choice of a prime minister in collaboration with all the sectors involved in the crisis, the separation of the police from the Army, and constitutional reform, especially in the judiciary. Father Antoine Adrien, provided information regarding rumors that the Army is going to be dismantled when the president returns.

[Begin Adrien recording, in Creole] We are very clear on one thing. Some people try to make believe that President Aristide is going to destroy the Army. It is not the first, nor the second, nor the third time that President Aristide has stated and repeated that he would work within the Constitution. The Army is an institution and the Constitution establishes it. What we are saying is for the Army to apply all the constitutional provisions without trying to obtain more. It must respect the limits provided by the Constitution. [end recording]

L'UNION Employees Demand Resignation of Director

FL1611212892 Port-au-Prince Radio Metropole in French 1145 GMT 16 Nov 92

[Text] There is dissension at the L'UNION office. The director of the state newspaper saw access to his office prohibited to him today. Thirty-eight of the newspaper's employees are demanding the resignation of Alexandre Azard and are considering prohibiting the director from going into his office. The employees primarily reproach Alexandre Azard for bad management and his threats of dismissal aimed at the staff. Guilloto Francois has the following report.

[Begin recording in Creole] [Francois] A petition was circulated on 13 November at the state newspaper L'UNION. The petition, signed mostly by journalists and technicians, demands that the newspaper's director Alexandre Azard resign. They criticize the way Azard manages the institution. On 16 November, a person who signed the petition told us that it would be very difficult for Alexandre Azard to enter the newspaper's premises.

[Unidentified speaker] Basically, the petition is only to inform the authorities. If the minister does not make any decisions by 16 November, we will form a delegation to go to the National Palace and meet with the concerned authorities. If they do not want to receive us, we will prevent Azard from entering the building.

[Francois] Alexandre Azard, whom we contacted in his office on 13 November, refused to meet with the journalists. The question still being asked at this time is: Will the newspaper L'UNION continue to be published? A month ago the newspaper was not published for two weeks when journalists and technicians went on strike in order to demand four month's salary. [end recording]

Press Freedom Group Denounces Journalists' Arrests

FL1711183192 Port-au-Prince Tropic FM in French 1200 GMT 17 Nov 92

[Text] The Thought and Action Group for the Freedom of the Press, GRALIP, has firmly condemned the brutal repression committed by the Port-au-Prince military against Haitian and foreign journalists performing their professional duties on 12 November. GRALIP points out that this new episode of attacks, arrests, threats, and invective against members of the press has again disproved any demagogic rhetoric claiming that freedom of the press and of opinion is guaranteed in Haiti.

Jamaica

Patterson Tops List in Popularity Poll

FL1711224192 Bridgetown CANA in English 2145 GMT 17 Nov 92

[Text] Kingston, Jamaica, Nov 17, CANA—Jamaica's Prime Minister P.J. Patterson is perceived by Jamaicans

as the minister doing the most "outstanding" job in the People's National Party [PNP] government, according to the latest Carl Stone poll. Asked: "Which ministers of government are doing an outstanding job," 36 per cent of 2,002 (sample size) potential voters in the next general elections constitutionally due by 1994, said Patterson.

Labour, Welfare, and Sports minister, Portia Simpson, who challenged Patterson for the top job following the retirement of former Prime Minister Michael Manley in late March, is a distant second with 14 per cent. Finance Minister Hugh Small is third in the popularity rating with 11 per cent while Education Minister Burchell Whiteman has 8 per cent, and housing minister, O.D. Ramtallie 4 per cent.

In an obvious reflection of public discontent with government's handling of crime, public utilities, transportation, and health, national security minister, Keith Knight; public utilities and transportation minister, Bobby Pickersgill; and health minister, Easton Douglas were identified as doing a particularly poor job.

Youth unemployment was seen by most of those polled as the major problem facing the country, followed closely by the high cost of living, poor water supplies, and crime. Forty five per cent felt living standards had declined since the PNP came to power in 1989, 22 per cent figured it had improved, and the remaining 33 per cent saw no change in their condition.

Stone said most of those polled believed unemployment was much higher than the government's figure of 15 per cent. While crime was perceived as having increased in the capital, rural folk generally felt it had declined in their communities, the poll showed.

Bernal Urges Caribbean Protection From NAFTA

FL1611161692 Bridgetown CANA in English 1432 GMT 16 Nov 92

[Text] Belmopan, Belize, Nov 16, CANA—Jamaica's ambassador to the United States, Richard Bernal, has urged Caribbean governments and the private sector to step up lobbying efforts to protect their trading interests in the United States.

Bernal issued the call as he spoke here last Friday [13 November] to the newly formed Caribbean Citrus Growers Association on the region's prospects in light of the decision of the United States, Mexico, and Canada to establish a free trade area.

Bernal said he believed the incoming Clinton administration would put to Congress a revised North American Free Trade Agreement (NAFTA) which the United States entered under the outgoing Bush administration.

He said, however, it was difficult to say precisely how NAFTA will be amended but it was important for the region to prepare for the possibility of the agreement and get ready to meet its implications.

"This will require us to become even more competitive and productive in all our export sectors."

The senior Jamaican diplomat said one way regional governments could offset damage caused by NAFTA, would be through transitional arrangements negotiated under the existing Caribbean Basin Initiative (CBI) which allows one-way access to the U.S. market for agricultural and certain manufactured products.

The ambassador said while NAFTA would liberalise and create more trade among the U.S., Mexico and Canada, he feared it could be at the expense of a reduction in trade for CBI countries which send between 50 and 70 per cent of their exports to the U.S.

He said this would be "shortsighted" given that U.S. exports into the CBI region had grown more rapidly than into any other region in the world. "Over the last four years exports to the CBI countries grew by 33 per cent, much faster than any where else."

The six billion dollars of exports to the region were also worth over 110,000 jobs in the U.S., he said. "They export more to us than we buy from them." Another important fact for producers, he said, was the complementary production of many goods, for example clothing, where the cloth is manufactured in the U.S. and the labour intensive sewing work is done in the Caribbean at a cheaper cost, making the finished articles more competitive in the U.S. market.

Bernal said he was "deeply concerned" about NAFTA's impact on the Caribbean since Mexico was likely to take away markets for sugar, citrus and clothing.

He said figures showed there has already been a slow-down of investment into the region in the last two years. "What I fear is that if the NAFTA in its present form goes ahead, we would see investment which would have originally come to the CBI countries going to Mexico to take advantage of the NAFTA provisions."

On a positive note, Bernal said in the future the U.S. would be looking to Latin America and the Caribbean to set up a free trade bloc to compete with others elsewhere, and in that context there would be an opportunity to see that NAFTA, as revised by the Clinton administration, does less or no damage to the region.

He said the U.S. would be seeking reciprocal arrangements when it lowers tariffs and eliminates quotas but it might be willing to accept reciprocity in the form of concessions on, for example, private investment opportunities and intellectual property rights.

A lobbying strategy aimed at the U.S. Administration and Congress, said Bernal, should include four elements:

- Informing Washington of the benefits of the CBI not only for the Caribbean but for the U.S., and ensuring the present viability of the CBI;

- Asking for a transition arrangement to give to CBI countries anything that Mexico will get under a revised NAFTA;

- Offering a gesture of reciprocity by upgrading CBI to match NAFTA and phasing in reciprocity over a suitable adjustment period which could be at least 20 years;

- Explaining that trade is not everything and there is still a role for U.S. aid in the region to provide infrastructure.

Bernal said pressure could be put on Washington to take into account the Caribbean position. "It can only be effectively done through Caribbean collaboration, and here I am talking not only of Caricom but of the wider Caribbean. I think we can develop the kind of critical mass which can have our concerns addressed."

He called on the private sector to join in the lobbying and urged the political leadership to make its voice heard much more quickly.

"We need to have definitive statements from the Caribbean leadership at the level of prime minister and president," said Bernal.

Official Presents Draft Budget to Congress

PA1111162092 Mexico City XHTV Television Network
in Spanish 0200 GMT 11 Nov 92

[Report by Agustin Granados]

[Text] Pedro Aspe Armella, finance and public credit secretary, on 10 November, presented to the Chamber of Deputies, draft revenue laws and budgets for the entire country and for the Federal District. The finance secretary announced that in 1993, the gross domestic product will have a 3-percent growth rate; 65 percent of the budget will be allocated for social expenses; and there will be no allocation for miscellaneous expenses this year.

The finance secretary said next year that the federal government will have a budget of 275.532 billion new pesos, which is 0.4 percent less than the 1992 budget. He explained that the federal government wants to make its fiscal provisions permanent.

[Begin Aspe recording] For the first time since 1971, no changes in fiscal sovereignty [soberania fiscal] are contemplated. It is necessary to consolidate the main changes which the country needed for its modernization and that have already been made. Therefore, for this year, it is proposed that there be no miscellaneous allocation. [end recording]

As a result of the changes made in Mexican Petroleum's charter, its fiscal picture will be revised, but consumers will not be affected. The basic goal in economic policy, the secretary said, is to achieve equality of opportunity for all Mexicans and to advance in microeconomic efficiency.

[Begin Aspe recording] True development is based on justice and equity. The demands of the new times are incompatible with inequality and discrimination. To efficiently meet social demands and achieve equal opportunities for all the people is, and will continue to be, a priority for the Mexican state. [end recording]

The finance secretary will return to the Chamber of Deputies on 17 November to discuss the revenue initiatives and draft budgets with legislators.

* Araujo on Role of CAP, CNC Positions

93CA0015A Mexico City LA JORNADA in Spanish 17
Sep 92 (LA JORNADA del CAMPO Supplement) pp 1,
5, 6

[Interview with National Peasant Confederation Secretary General Hugo Andres Araujo by Julio Moguel; place and date not given; preceded by four introductory paragraphs.]

[Text] The more than three-year old Permanent Agrarian Congress (CAP) already represents the most important effort at unity among peasants in recent decades. Twelve organizations founded it, and 11 are members today. It

is unquestionably significant that within this front or coalition of peasant groups there are still factions that have taken diametrically opposed positions on decisive rural issues, particularly in regard to their political preferences at the polls and the most recent legislative reforms. For example, there is the Independent Federation of Agricultural Workers and Peasants (CIOAC), which is the hub of the Council of Agrarian Organizations (COA) project. At the other pole stands the National Peasant Confederation (CNC), which is an organic part of PRI [International Revolutionary Party] and the main promoter of the meetings among peasant economic organizations that have been held since 6 January.

All in all, the organizations in the CAP have not been aligned in set ideological blocs, predetermined by their partisan political preferences or agendas, inasmuch as there has been a consensus, or more subtle, complex dissent on several decisive issues. We need only cite the example of the struggle for production or for the "appropriation of the production process." This issue has brought together rural organizations (or factions within them) that are at odds with each other on other issues of management or political action.

What then defines the unity of the Permanent Agrarian Congress? What issues divide or unite its various organizations? Will this front be able to survive the reforms and the political and electoral battles that are on the way? How does its agenda combine with or oppose other proposals for peasant convergence or unity? LA JORNADA DEL CAMPO begins delving into these questions in this interview with the current CNC leader. Subsequent issues will set forth the views of the other leaders of this "top echelon organization" of Mexican peasants.

Hugo Andres Araujo is the current secretary general of the CNC, having been its organizational secretary since 1989. Today he has become one of the main proponents of a policy of change in the CNC and other organized rural sectors, a policy that emphasizes the development of the so-called peasant economic organizations. Thus, with and from his union organization he has promoted the so-called meetings of the peasant economic organizations in Veracruz, Oaxtepec, and Hermosillo in that order.

[Moguel] What is your opinion of the current situation in the peasant movement and its organizations?

[Araujo] I think that all of us who are involved in the peasant movement sense, in one way or another, that the prescriptions for solving the problems of the countryside cannot remain the same. I will give an example. A few years ago, at a different time in the rural struggles, we would have asked Banrural to intervene more heavily to attack the problem of lack of financing. Now we are also asking for more financing, but on the basis of a more independent management of credit. In the past we would

have asked Fertimex [Mexican Fertilizers] not to withdraw from the countryside because we were accustomed to having this parastate enterprise involved in distributing fertilizer. However, now we are emphasizing how the peasants can play an active role in distribution, and just as we are seeing that there are new ways of taking social control of credit management, financing, or fertilizer distribution, we also feel that the old methods of solving the problems of the backlog of land title disputes (with long, complex formalities) are not consistent with the needs and conditions today.

In the midst of these new conditions, with the new, comprehensive approaches, and the newly created legislative framework, and owing to the new ways in which relations between the countryside and the other social and production sectors are developing, as well as the way in which the countryside is changing, the peasant organizations have identified (at times pragmatically or intuitively, at times more consciously and analytically) the need to rethink their work methods.

We are in a period of transition, of searching. The debate on Article 27 of the Constitution shows us that the main problem is not judicial change. The main problem is how rural society has changed in recent years, even though some have kept on dreaming about bucolic landscapes and the traditional relationship between peasants and the state. The discussion of Article 27 moved ahead more when we put aside what ought to be and started talking about what the Mexican countryside actually is.

[Moguel] What is your opinion of the Permanent Agrarian Congress? Some media think that the CNC's initiative in calling the so-called meetings of peasant economic organizations clashes with the convergence proposal on the CAP agenda. In your view, are these agendas competitive or complementary?

[Araujo] I think that both the media and the political analysts and researchers have done a shallow analysis of what the CAP has been and has represented. In my view it is one of the soundest efforts at unity and organization among peasants in the history of contemporary Mexico.

Organizations with different backgrounds and different ideological and political perspectives are represented in it, and yet we have been able to listen to each other, to get to know and understand our differing views, and to reach agreements when possible.

I do not think that all of the nationwide peasant organizations are represented in CAP, and we have to keep working on this. I also think that major regional peasant organizations are missing too. However, the fact is that more than 10 of the most representative groups of rural Mexico have already been working together for three years, even amid trying situations such as the ones that we lived through during the debate on Article 27.

I feel that in taking stock we could say that the CAP has enabled us to socialize varying views and keep them permanently on the negotiating table. The CAP has

given the peasant movement a pluralistic, systematic intermediary vis-a-vis the government, under circumstances in which the state has also opened up to this pluralist framework.

Today the peasants represented in the CAP are discussing all of the problems of the countryside. The most important discussions of the peasant movement have been aired in the Permanent Agrarian Congress, and this debate has turned out to be a required reference point for all rural forces, whether they are called independent, autonomous, or institutional. Moreover, we have been able to tone down, negotiate, and reconcile the confrontations that have arisen at local and regional levels.

The CAP has enabled us to mature. All of us involved in it have abandoned our previous niches, and in entering into debate and a regular, almost daily relationship we have acknowledged our abilities and our limitations. We acknowledge that through the CAP we have been able to better appreciate different points of view, and we have also better understood the heterogeneity of the CNC movement itself, the strength and importance of its different historic factions. We have also acknowledged shortcomings, and when they were pointed out within the CAP, they have fueled debate. Today, a scholar, theoretician, or ideological and political adviser to any of the peasant groups or organizations must regard the CAP as a reference point. In spite of our differences there has been regular, ongoing communication with the federal Executive Branch, and this has been a reference point for all the institutions. It is no accident that it was in the CAP that the strategy for dealing with the backlog of land title disputes was discussed, that Banrural proposed the conditions of its overhaul, or that Jaime Serra reported on the free-trade agreement negotiations concerning agriculture.

I think that much remains to be done, and we must be self-critical because we have been unable to put greater effort into the building and development of the CAP. Our union federations remain more union federations than converging organizational units. We must acknowledge today that if we have achieved these gains by working the way we have so far, we will achieve even more if we form permanent, professional teams around the structure of the CAP. The meetings that we hold and the top-echelon accords are not enough either; we have to build a new structure from the top down.

I think that the CAP model that we designed three years ago has already run its course and that we need to rethink the program for unity. To my way of thinking this means putting more personnel, more time, and more effort into national and regional activity.

[Moguel] How is the CNC finding its way amid these processes of change? Is it reforming itself? Where is it headed?

[Araujo] The CNC has now proposed new internal reforms from the perspective of the changes that I talked about above. We now have a secretariat for peasant

relations, and this gives an idea of the importance that we attach to this policy. Three years ago the activity of this new secretariat was secondary or complementary to several secretariats. Someone asked us whether this meant that we wanted to bring everyone into the CNC. This is not, however, what we are proposing. We realize that society is pluralistic, and that if today there are 11 organizations in the CAP and tomorrow there are more, or the same number, the important thing is for us to have a solid structure of unity among ourselves and with other regional organizations.

[Moguel] On what rural issues is there lively debate? How are these issues being addressed in the CNC and CAP?

[Araujo] We have to acknowledge that there is an internal debate between the agrarian and production approaches. The peasant organizations that make up the CAP are more agrarian than economic. And this unquestionably defines the problems that cut across the CAP and several other organizations. Several colleagues have put it clearly and frankly: "Modernization came upon us suddenly, and we will have to work with new methods." For these reasons, and since the debate is still going, we in the CNC put forth another initiative through the so-called meetings of peasant economic organizations. This initiative brought together rural organizations that have been around for some 15 years and have also been developing ties with us.

We felt that these organizations were demanding a major or leading role in the transformation and that we could not reduce the fundamental debate on the peasant agenda to a debate among the federations. However, the point was not to create a counterpart to the CAP. It is here that we have been developing the idea of a new peasant movement. To date, three meetings have been held, bringing together more than 1,000 economic organizations. This CNC initiative has been embraced by a

good many of the regional economic organizations and also by some CAP organizations. It is not offered as a debate between opponents but rather, as a discussion between two different, although complementary, segments of the area in which the peasant forces are being built today.

We can say today that the bottom line is positive. The meetings have been held in Veracruz, Oaxtepec, and Hermosillo. Between the meetings regional gatherings have been held, and there have been discussions by branch of production, by producer network, and by company. At the first meeting we sorted out the demands. At the second we turned the demands into proposals for each institution. At the third, in Hermosillo, we had a chance to make policy proposals and proposals for substantive changes.

[Moguel] I would like to return to the issue of changes within the CNC, because the impression is that it has undergone more changes in recent years than in the previous decades.

[Araujo] The CNC has been forced to have an internal debate, to improve its methods of participation, and over the past two years to understand pluralism better. This itself opens a debate inside the CNC; it means having to redouble organized efforts, to marshal arguments, and to discuss the new terrains of the peasant movement. From this perspective we can say that the CNC is pioneering another initiative: a proposal for its own reform, although this reform is not unrelated to the peasant movement as a whole.

I agree that the organization must serve rural society, not vice versa. But in this vein I would emphasize that the debate is still going on and will continue. All of our organizations are putting to the test our ability to serve the ejido members, the peasants, the communal landowners, the day laborers, and the settlers. Along this road the CNC will continue to stand behind change.

El Salvador

FMLN Leader Urges Government Compliance

PA1811003792 San Salvador Canal Doce Television in Spanish 0300 GMT 17 Nov 92

[Text] Jorge Shafik Handal, leader of the Farabundo Marti National Liberation Front [FMLN], feels that all the correspondence exchanged by the parties with respect to the agreement maintains the original date proposed by Butrus-Ghali for purging the Army. Commenting on the statements by President Cristiani, Shafik Handal said the president might be under heavy pressure not to implement what had been agreed upon.

[Begin Shafik Handal recording] I am very surprised at this, and it compels me to make some comments. We had clearly and specifically agreed on this and made arrangements. Dates and other details were established in the agreements, as the UN secretary general said in his letter to the UN Security Council. I would not like to expand too much on these commentaries. Perhaps President Cristiani is obligated to make statements of that kind in order to pass on messages to who knows. [end recording]

On the other hand, Shafik Handal insisted that the FMLN will comply with the agreements, and it will be totally demobilized by December.

[Begin Shafik Handal recording] The date for concluding the process of complying with the agreements and for consolidating peace in our country is 15 December. That is the way it should be, and all of us should watch out to make sure that this is the way it will be. We do not want to allow—nor should anyone allow—that in the end we end up with more accumulated agreements that have not been implemented. We are complying with our part, and we hope, wish, and demand that the other party comply with its part. [end recording]

Jorge Shafik Handal on 16 November attended a religious ceremony at the Central American University [UCA] to commemorate the third anniversary of the murder of six Jesuit priests, including UCA Rector Ignacio Ellacuria.

Human Rights Agreement Signed With Guatemala

PA1811041992 Guatemala City PRENSA LIBRE in Spanish 16 Nov 92 p 32

[Text] It has been officially reported that human rights ombudsmen Ramiro De Leon Carpio, of Guatemala, and Carlos Mauricio Molina Fonseca, of El Salvador, have signed a cooperation agreement for the strengthening of activities aimed at promoting, defending, and validating human rights in Guatemala and El Salvador.

The historic document was signed in Ahuachapan, El Salvador, in the presence of officials from both countries, lawyers, members of the media, and special guests.

The human rights ombudsmen agreed, basically, to undertake the necessary cooperation and support in order to strengthen their institutions.

The document states that the two ombudsmen will study and seek a solution to the problem of the rights of Guatemalan and Salvadoran immigrants.

Furthermore, they will promote the creation of the Human Rights Ombudsman in each of the Central American countries, strengthen it where it already exists, and support the creation of an ombudsman on a regional scale.

The agreement establishes technical cooperation for the promotion, education, investigation, computerization of information, and defense of human rights.

During the signing ceremony, Guatemalan Ombudsman Ramiro de Leon Carpio announced that as of January 1993, the current Guatemalan Joint Ombudsman Cesar Fernando Alvarez Guadamuz will assume duties as expert of an international human rights organization. One of his first tasks will be to provide advice for the human rights ombudsman of El Salvador.

New Union Formed; Vows To Unite Workers, Employers

PA1711184792 San Salvador EL MUNDO in Spanish 13 Nov 92 p 2

[Text] Given the incorrect role played for many years by the unions in the country, which have confronted workers and employers, the National Independent Union of Salvadoran Workers [Union Nacional Independientes de Obreros Salvadoreños—UNIDOS] has been created.

The organization's leaders made these statements, adding that they will seek to unite the two sectors so that job openings are maintained and not eliminated, as happened years ago.

Antonio Rigoberto Amaya, a UNIDOS representative, stated that currently the primary objective of the unions is to assist and benefit their members, not all workers.

According to sources, the high degree of politics that exists in the unions is the main reason why they do not fulfill their duties the way they should.

This new group claimed that despite its newness, it has been very well accepted by the labor sector. Amaya said that evidence of how well the group was received is that it already has 3,000 members and plans to open branches in the country's different departments.

He added that among the UNIDOS projects to assist workers are the beginning of professional training courses and education for the children of workers.

UNIDOS says that the workers' relationship with employers should be modernized, in keeping with current trends, which indicate that the workers should no

longer seek confrontation of employers. "Together we are the force that can get El Salvador ahead," they concluded.

Guatemala

Defense Minister Denies 'State of Siege' Rumors

PA1711045092 Guatemala City SIGLO VEINTIUNO in Spanish 14 Nov 92 p 3

[Text] Defense Minister General Jose Garcia Samayoa on 13 November denied any possibility of declaring a state of siege, as the current situation does not call for such an extreme measure.

Upon leaving his office, the minister was asked about rumors about a state of siege circulating amid political, legislative, and union circles, and among the people.

"There is no scenario at this time that would imply such a situation, because that is something for the executive branch to confirm and the Congress to approve," the military leader said.

He said that, as of now, there is no compelling reason that would require a state of siege. "I believe it would be untimely, but these things (rumors) are part of Guatemalan folklore, so we should leave it alone."

"For the time being, the government has not considered taking a measure such as that," Rolando Arturo Portillo, the acting general secretary of the presidency said.

He added that his office is currently processing the Governmental Agreements and that any such emergency action obviously must be decided upon and adopted by the Council of Ministers in an extraordinary meeting.

He said that he believes the conditions that would require a state of siege do not exist. If there are rumors or reports that state the contrary, they are totally groundless.

He affirmed that it is not true that President Serrano had considered declaring such a measure as recently as the night of 13 November. Although it is within the authority of the executive branch, he insisted that there is no reason whatsoever to make such a move.

URNG Denies Reported Ties to Drug Trafficking

PA1711040592 Guatemala City PRENSA LIBRE in Spanish 14 Nov 92 p 2

[Text] The Guatemalan National Revolutionary Unity [URNG] on 13 November totally rejected government charges that it is linked to international drug trafficking. The leaders contended high-ranking military officers are involved in that activity.

In a communique sent to this paper, the URNG said: "There is sufficient evidence to show who has been involved in these illegal activities: some high-ranking

military officers, other members of the Armed Forces, and officials of the current government."

The URNG Command said the military high command is trying to discredit the organization's proposals while justifying the intervention of the DEA in the internal armed conflict as part of military counterinsurgency plans, because the military has been unable to deter the revolutionary movement.

The URNG said it is not true the Army and the guerrillas had a confrontation that showed a relationship between the clandestine groups and drug trafficking, as the government and the Army have implied." [quotation mark as published]

The insurgents added drug-trafficking activities were being carried out at a landing strip very close to the El Subin military base in the Yaxchilan area of operations. They added the confrontation the Army is now referring occurred in June 1991.

"In their efforts to implicate us, the military mentioned similar actions in the areas where the main URNG fronts are located; namely, Quiche, San Marcos, and Peten. Thus, the counterinsurgency intent of those lies is clearly revealed," the guerrillas said.

The URNG commanders stated they "desire a political solution to the national crisis and the internal armed conflict, as long as the solution involves progress, instead of discrediting campaigns as those being waged by the Army Propaganda and Psychological Warfare Section."

Honduras

* Finance Ministry Proposes Increased 1993 Budget

93CA0020A Tegucigalpa EL HERALDO in Spanish 23 Sep 92 p 22

[Text] The budget of the Secretariat of Communications, Public Works, and Transport (Secopt) for next year was increased by over 343 million lempiras; that of the Health Ministry, by 118 million; and that of the Education Ministry, by 104 million.

According to the budget bill sent by the Finance Ministry to the National Congress, the budget for the Electoral Agency will increase by 28 million lempiras; that of the National Congress, by 9.9 million; and that of the Judicial Branch, by 15.7 million.

The increase for the Interior Ministry's budget will be 45.9 million lempiras; for the Natural Resources Ministry, 18.3 million; for the Public Debt agency, 262.5 million; for the National Defense Ministry (Armed Forces), 15.2 million; for the Executive Branch Centralized Services, 7.6 million; for the Economy Ministry, 6.5 million; for the Foreign Affairs Ministry, 3.8 million; for the Finance Ministry, 3.9 million; for the Culture Ministry, 1.6 million; for the Labor Ministry, 3.4 million; and for the Office of the Prosecutor General, 824,900 lempiras.

Reduction

Following is a comparative table showing the budgets approved by the Congress for 1992 and those recommended for next year:

The Presidency of the Republic is the only office of the Executive Branch to undergo a cutback in its budget, compared with that approved for this year.

In 1992 a budget of 24.6 million lempiras was approved for the Presidency of the Republic but, for fiscal year

Comparison of 1992 and 1993 Budgets (in lempiras)

	1992	1993	Difference
National Congress	34,320,000	44,224,494	9,904,495
Judicial Branch	29,851,116	45,649,615	15,798,500
Electoral Agency	20,000,000	48,000,000	28,000,000
Presidency of the Republic	24,616,500	21,188,245	-3,428,254
Interior	95,503,211	141,428,605	45,925,400
Foreign Affairs	48,384,200	52,274,265	3,890,064
Defense (FFAA)	247,500,000	262,700,000	15,200,000
Economy	18,302,222	24,897,704	6,595,481
Finance	62,639,452	66,591,492	3,952,040
Prosecutor General's Office	2,081,700	2,906,600	824,900
Education	682,743,243	786,877,230	104,133,900
Health	491,590,000	609,954,517	118,364,500
Culture	10,670,700	12,353,610	1,682,910
Labor	42,269,700	45,763,309	3,493,608
Secopt	416,933,130	760,558,675	343,625,600
Natural Resources	127,983,838	146,342,262	18,358,420
Secplan	20,626,770	25,828,500	5,201,730
Public Debt	1,710,700,203	1,973,241,964	262,542,000
Executive Branch Centralized Services	744,087,479	751,776,504	7,688,960
Totals	4,831,528,464	5,822,557,591	991,029,300

1993, 21.1 million has been recommended: in other words, a reduction of 3,428,254 lempiras.

At the beginning of Rafael Leonardo Callejas' government there was talk of abolishing the Ministry of the Presidency of the Republic, as well as the Secretariat of Planning, Coordination, and Budget (Secplan). Nevertheless, this has not occurred to date.

The budget for Secplan has been increased by 5.2 million lempiras.

According to the draft budget submitted by the Finance Secretariat, the budget of the nation for 1993 will be increased by 991 million lempiras over the amount approved for this year.

*** September Inflation Drops to 0.4 Percent**

93CA0020B San Pedro Sula TIEMPO (Tuesday Financial Supplement) in Spanish 13 Oct 92 pp 1, 8

[Text] The Central Bank of Honduras (BCH) emphasizes that the rise in inflation during September, gauged according to the General Consumer Price Index (GCPI),

totaled 0.1 percent. According to the BCH, the official figures confirm a slowdown starting in the second half of 1991; however, that index was higher than the one posted in September 1992, when it reached less than 0.4 percent.

According to the agency, during September prices in the categories of housing and household operation, clothing, and health and personal care underwent increases of 0.6, 0.7, and 0.5 percent, respectively.

The bulletin issued by the BCH subsequently claims that, despite the price hikes shown for the previously listed items, it was the food item that most influenced the GCPI. The 0.7 percent decline registered for it had an effect on the slight 0.1 percent rise in this indicator.

The state agency went on to claim that the foregoing is a result of the cyclical behavior of agricultural products because, during this season of the year, prices decline owing to higher production. It notes that this may have been influenced by the winter, which has been milder than in preceding years.

Based on regions, the GCPI is rather encouraging, because in areas traditionally exceeding the general

average, such as the country's western and southern regions, it declined significantly in comparison with the previous month.

For example, during August the western region had 13.1 percent inflation, which dropped to 12.8 percent in September. In the southern zone, where it was 11.4 percent in August, it declined to 10.5 percent during September.

Inflation, measured on a monthly basis, was 6 percent: higher than the 5.5 percent registered in August. According to the BCH, these figures are not indicative of another inflationary process, but rather the result of comparing the present index with that of September of last year. At that time it experienced a reduction which, as has been noted, brought it to less than 0.4 percent.

With regard to average monthly prices of principal food products in the Central District, the BCH bulletin states that costs of products such as top grade mortadella are still tending to rise; because the July price of 8.58 lempiras rose to 9.10 lempiras in August, reaching 9.22 lempiras in September. In other words, there was a relative increase of 6.1 percent during those three months.

Another product with a higher price trend is creamed butter which, in August, had undergone a 1 lempira rise in the per pound price over July. According to the BCH, in September this product's price dropped by 1.49 lempiras. Red onion prices, for their part, rose from 2.11 lempiras per per pound in August to 2.36 in September.

Nevertheless, sectors of public opinion such as the Tegucigalpa Chamber of Commerce and Industry (CCIT), through its president, Eduardo Facusse, have questioned the BCH indicator on September inflation, because "they don't believe that it's so very low."

The average index from January to September of this year reflected 9.8 percent inflation. This is substantially lower than that for the same period last year, which amounted to 37.7 percent.

For all the foregoing reasons, according to the analysis explained in the BCH Department of Economic Studies bulletin, the agency predicts that inflation this year will stand at a far lower level than was recorded last year.

On the other hand, independent economic analysts do not consider this year's inflationary situation so encouraging—as the government claims—because of significant phenomena such as the higher price of the dollar, which will make imports more expensive.

*** Gold, Silver, Zinc Production To Increase**

93CA0020C San Pedro Sula TIEMPO in Spanish
10 Oct 92 p 22

[Text] Tegucigalpa—The American Pacific Company (AMPAC), which is developing the El Mochito mineral resources, has discovered two new silver, zinc, and gold

deposits, which will enable it to expand its operations in the country. This statement was made by John Bracale, an executive of the company.

Executives from the firm met yesterday with President Rafael Leonardo Callejas, to inform him on the discoveries and the extension of its operations to new development areas.

Bracale claimed that 2 million tons of silver and zinc were discovered in a zone called "Nacional," adding that there is another zone in which 2 million ounces of gold have been detected to date.

He remarked: "We have discussed the development of the mine, and the future development of the new zone known as 'Nacional.' A new zone has been discovered, and we are fully engaged in developing access to this new mineral producing zone."

He added: "We are quite confident that the mine will have a very prosperous future," indicating that the company is in the process of evaluating and exploring a mine called "San Andres," from which it would extract gold.

He stated with assurance: "We are quite confident that this will become a large mine. It has very good prospects of importance to the Honduran economy."

Bracale declared: "It is a mine with considerable potential, if we succeed in finding what we expect to find." He remarked that the new operations will make it possible to maintain the present employment level at El Mochito.

He commented: "We shall have a very long future as miners here in Honduras, and if there are other opportunities, we would like to be the first to know about them."

He reported that the company would invest approximately 4 or 5 million lempiras in the new areas for expansion during the first phase, but declined to specify the profit that AMPAC would accrue.

He claimed that the El Mochito deposit in which operations have been conducted up until now is becoming depleted.

He asserted that a company that sued Honduras in a Florida court for not having sold it Cement of Honduras had stolen AMPAC's name.

He stressed: "That is a group of investors who have nothing to do with the mine. They have stolen the name AMPAC illegally, to a certain extent. That group has nothing to do with the El Mochito mine group."

Nicaragua

Economist Views Increasing Poverty Levels

PA1711192192 Managua BARRICADA in Spanish 15
Nov 92 pp 1, 14

[Report by David Gutierrez Lopez]

[Text] In 1992 Nicaragua became one of the poorest countries among the 160 nations recognized by the United Nations. Only one out of every seven Nicaraguans able to work has a permanent job, a study by economist Oscar Rene Vargas reveals.

In 1991 our country was number 85 among the poorest nations, but this year it went down 14 places to be among the most wretched, comparable only to some African countries. The reason for that drop is the dramatic deterioration in the population's standard of living and an overall unemployment rate that will reach 53 percent by the year's end.

It is estimated that among Nicaragua's 4.1 million people, more than 800,000 are unemployed. According to Vargas' study, the economically active population numbers 675,000, but only one in seven has permanent employment.

The salaries of those 675,000 active workers are below the cost of the basic food basket.

Supported by UN indicators for gauging poverty, Vargas said there are approximately 3.1 million people living in 440,000 inadequate houses built from rubble, plastic, and cardboard.

"That means only 1 million people live in decent, comfortable housing," Vargas said. He spoke at a debate on the national reality sponsored by the Nicaraguan Human Rights Center (CENIDH). Sandinist leader Henry Ruiz and sociologist Orlando Nunez also participated in the debate.

According to the study, 3.86 million Nicaraguans do not have latrines. That is 76 percent of the total population. Only 38 percent of the population has access to electricity, and 21 percent to potable water.

Approximately 51 percent of the population of Managua uses firewood to cook. Each year 150,000 hectares of forests disappear due to the effects of the indiscriminate felling of trees.

Nicaraguans' nutrition has deteriorated: 68.5 percent of the population has some nutritional deficiency for lack of a balanced diet.

Of every 100 children hospitalized for various reasons, 35 percent show signs of malnutrition.

Of those people employed in 1991, 18 percent have lost their jobs. Among the unemployed, 80 percent admit

they have been unable to find a new job, and 59 percent of those entering the job market for the first time have not found employment.

The residents of Madriz and Nueva Segovia in northern Nicaragua, followed by those of Matagalpa, Jinotega, and the north Atlantic coast region, are classified as the poorest in Nicaragua.

Disclosing details of the talks between the Sandinist National Liberation Front [FSLN] and the government on the night of 12 November, Henry Ruiz, former Sandinist foreign cooperation minister, said on 14 November that the government "has closed its eyes," refusing to accept the reality of the crisis and "almost denying that there is unemployment."

He said he suspects the government of hiding figures on the country's crisis and warned that if foreign aid does not arrive, the country will experience serious difficulties. Nevertheless, he said that improving the economy must be a joint effort by all Nicaraguans.

Ruiz insisted on a dialogue with the government to find a solution to the crisis and said that if "the government does nothing to resolve the situation, the FSLN might adopt other actions. Nevertheless, he ruled out an armed struggle as one of these actions. [no end quotation mark as published]

Presidency Advisor on Meeting With FSLN on Economy

PA1711204892 Managua BARRICADA in Spanish 15
Nov 92 p2

[Report by Maria Alicia Talavera]

[Text] The government is ready to make alliances with whomever necessary to raise production, which is Nicaragua's major problem. Presidency Ministry adviser Ricardo Barrios stated that "where there is production there are jobs, and where there are jobs there is money for people to have health and education."

Barrios was one of the cabinet members who attended a meeting with the Sandinist National Liberation Front [FSLN]. The meeting was held "in a normal atmosphere where the FSLN submitted its proposals, just as the Higher Council of Private Enterprise [Cosep] did."

The economic cabinet explained the economic situation and listened to alternative solutions for the country, "not the populists ones that are too careless, but the real ones that can be sold to the people."

Barrios said that during the eight-hour talks the two delegations agreed that unemployment is among the biggest concerns, and the way to resolve it is to stimulate production, although resources are limited. They also agreed on the need to settle the ownership problem. The FSLN insisted that nothing should be returned to Somozists.

Agreeing with Finance Minister Emilio Pereira, the adviser asserted that "the meeting was not a negotiation. It is very hard to reach a consensus on how to move the country forward. This is the government's responsibility, and it has good proposals."

He said that although production is rising, it has not reached the desired levels. "The problem is one of instability."

Barrios feels "people are unlikely to make investments while tires are being burned" in Nicaragua, which is why we are entering a vicious circle. Everybody is concerned about unemployment and our resources are limited. This country depends on the international community. Those are the dynamics that exist, and that is the proposal that exists." In other words, the government, FSLN, and Cosep want to generate jobs, "but that problem is resolved by producing."

Barrios said that different meetings will not produce a national agreement "but a good economic plan for 1993."

The meeting participants discussed the limited national economy and the per capita income of \$400, which is the second lowest in the world. This is a real problem that we inherited, "but the important thing is to resolve it by looking ahead, not back."

Commenting on privatization, "there is no ideological problem with Cosep or the FSLN," but the government insists on respect for the rule of law.

They talked about encouraging economic growth in 1993, the public investment plan, which could not be carried out in 1992 due to a shortage of resources, and the failure to reach the goal of generating jobs.

There are some bottlenecks such as the port situation, the need to produce, and the need to resolve the problem of loans for small farmers, which affects society as a whole. "Farmers must get organized to seek foreign resources because the government does not have a money-making machine."

Barrios noted that Nicaragua receives the largest amount of foreign aid per capita. It consumes \$800 million and exports \$250 million.

FNT Workers Protest in Front of Presidency

PA1711215092 Managua BARRICADA in Spanish 14 Nov 92 pp 1, 14

[Report by Luis Valverde and Juan Jose Lacayo]

[Text] A meeting between the government and the 27 federations of union representatives of the National Workers Front (FNT) ended on 13 November after five hours of talks. The only agreement reached was to move bilateral negotiations on the 17 demands presented to the executive branch from 14 November to 25 November.

The union leadership arrived at the presidential palace backed by a huge demonstration of workers from around the country and representatives of various sectors such as teachers, farm workers, health workers, government workers, students, professionals, and hundreds of unemployed.

The areas surrounding the presidential palace were practically filled with workers, while a heavy police presence that included metal barriers was deployed for several blocks around.

After a long meeting that ended at approximately 1700, FNT national coordinator Lucio Jimenez asserted that "the government was in no condition to hold talks" and added that "the government was unable to give specific answers (to the demands) but has started bilateral negotiations in several institutions and, if those fail, is willing to hold a second round of negotiations."

Jimenez said there had been no points of agreement during the talks and that the sides had different positions on all the issues. He also said there was a possibility that the worker protests would continue.

The top FNT leader noted: "The government understands stability to mean that the worker should not protest, and the FNT understands it to mean that the worker must have a job."

Jimenez warned that if they do not receive an answer by 25 November, they will begin what he called Plan B at departments and municipalities. He did not specify the nature of those actions.

Contradictory Version

Observers noticed that the spokesman for the government delegation was Labor Deputy Minister Mario Garache, although the delegation was headed by Presidency Minister Antonio. Journalists believe that fact diminished the meeting importance.

Contrary to what Jimenez said, Garache insisted that the reason for the meeting was to exchange concerns and not to negotiate with the FNT. The FNT's main demands are centered on jobs, wages, the annulment of the General Value Tax, and the property problem.

Garache stated: "We believe the meeting was positive as we managed to emphasize that Nicaragua can only progress if there is stability."

He said that many of the FNT's demands have already been resolved by the government and mentioned, among others, the Banana Production Expansion Fund [Fondo de Expansion Bananera], which has already been authorized. The minister added that \$3 million in credits for the sugar production sector and \$8 million more for the sugar sector's occupational conversion have also been authorized.

Impressive March

The workers' march was impressive, primarily due to the order with which it advanced from Las Madres park to the Lang hardware store. The marchers passed Julio Buitrago Street (formerly 27 May Street), Bolivar Avenue, and ended up in front of the Presidency.

The very large group of people, headed by FNT national and federation leaders, was accompanied by motorcycles, vending vehicles, trucks, tractors, carts, and dozens of private vehicles. The drivers were honking their horns but did not manage to muffle the slogans shouted by the people in the march.

Once in front of the Presidency, Lucio Jimenez clarified that they had not come to attend a formal lunch engagement but to present their demands. "We already ate," he added, and called to order those who carried hand mortars. Workers did not burn tires on this occasion.

The workers shouted that they wanted Education Minister Humberto Belli and Pablo Vigil, the Nicaraguan Telecommunications and Postal Services Institute director, fired and Maria Esther Solis, leader of the Federation of High School Students, reinstated. Several deputies, Luis Sanchez among them, hid behind trees in the National Assembly parking lot where they heard the workers' protests.

Vilma Nunez de Escorcia, the Nicaraguan Human Rights Center director, said the march was "a formal defense of human rights" and not entirely a political action. She reported that the human rights situation is checked every three months and a report is sent to similar international organizations. Escorcia added that "the human rights situation in Nicaragua has deteriorated."

Panama**Supreme Court Revokes Order on PTJ Director Abad**

PA1811142492 Panama City KW Continente in Spanish 1223 GMT 18 Nov 92

[Text] Supreme Court President Carlos Lucas Lopez announced the Supreme Court plenary had revoked the attorney general's order sending Jaime Abad, director of the Technical Judicial Police [PTJ], on vacation. He said it is the Supreme Court's responsibility to appoint and dismiss the PTJ director and added that the order really did not intend to send Abad on vacation, but was an attempt to separate Abad from the post against his will.

Cruz's Action Called 'a Trick'

PA1811152892 Panama City LA PRENSA in Spanish 18 Nov 92 p 1

[Article by Elio Rujano and Ibeth Vega G.]

[Excerpt] [passage omitted] Deputy Leo Gonzalez, president of the Legislative Assembly Narcotics Commission, has said that Attorney General Rogelio Cruz wants to fire Jaime Abad, Judicial Technical Police [PTJ] director, in order to leave the PTJ in the hands of "crack and cocaine dealers"

Gonzalez asserted that Abad does not control the PTJ, saying that it continues to be run by former PTJ Director Leslie Loaiza, who in turn controls the institution through Deputy Director Carlos Landero.

The legislator pointed out that all of this [Cruz' attempt to send Abad on a forced vacation] has been done to prevent Abad from running the PTJ properly, adding that the institution is 100 percent under the attorney general's command.

"It is obviously a trick by Cruz to remove Abad from the investigations being carried out at the PTJ on [Chiriqui District Attorney] Emilio de Leon, as well as from other on-going investigations," Gonzalez accused.

According to Gonzalez, the attorney general used the same tactics when he presented charges against Customs Director Rodrigo Arosemena.

"Cruz has not done the same thing to me because I have parliamentary immunity. He has not been able to keep me quiet," the legislator assured. "In my opinion, the only solution to the conflict is for Solicitor General Donatilo Ballesteros to remove Cruz from his post so he can be investigated based on my accusations," Gonzalez said.

To conclude, Gonzalez said the Supreme Court had acted appropriately; that is, with adroitness, accuracy, and justice. He said "the people cannot continue to be blackmailed by penal processes invented by Attorney General Cruz."

Commission to Investigate Chiriqui District Attorney

PA1711155492 Panama City EL PANAMA AMERICA in Spanish 17 Nov 92 p 1

[Report by Carlos Vargas]

[Text] Leo Gonzalez, chairman of the Legislative Assembly Drug Commission, disclosed on 16 November that on 18 November the Drug Commission will begin to investigate alleged irregular acts committed by Chiriqui District Attorney Emilio De Leon in the Attorney General's Office in that province.

Legislator Gonzalez confirmed that during its 18 November session the Drug Commission will discuss a proposal for an investigation into charges against the Chiriqui district attorney, charges that have come primarily from Judicial Technical Police [PTJ] Director Jaime Abad.

Gonzalez said the commission will begin to investigate the "serious" charge by Chiriqui merchants who complained that District Attorney De Leon "abruptly" ordered the suspension of a drug trafficking investigation the PTJ was conducting in that province.

"If the tentacles of the drug mafia also extend to Chiriqui, our commission must go to that province to investigate the charges," legislator Gonzalez said.

The Drug Commission chairman warned that even though District Attorney de Leon was a member of the Nationalist Liberal Republican Movement [Molirena], Gonzalez's party, he will investigate De Leon "so it will be clear that the commission's work is not based on political interests."

Gonzalez said that after the commission investigates the charges against District Attorney De Leon, it will decide whether he must appear before the commission along with Attorney General Rogelio Cruz.

The legislator said situations similar to those involving [former] District Attorney Carlos Herrera Moran are taking place in Chiriqui.

Gonzalez reported that members of the Attorney General's Office are "blackmailing" PTJ Director Jaime Abad "so he will stop revealing scandalous things about Panamanian justice."

Ruling Says Only Justice Court Can Release Accounts

PA1711184692 Panama City Telemetro Television Network in Spanish 1730 GMT 17 Nov 92

[Text] The Penal Court of the Supreme Court of Justice has ruled that the Attorney General's Office is not empowered to order the release of frozen bank accounts being investigated in cases related to narcotics trafficking.

According to the ruling, the Attorney General's Office may order the freezing of an account, but it is up to the justice courts to decide when the accounts should be released.

Consultations to this effect raised before the Penal Court clarify that the actions ordered by the attorney general prior to this ruling are not affected, therefore the ruling is not retroactive.

The legal precedent for such cases was set as of the moment the ruling was announced. Only one magistrate, Jose Manuel Faundes, voted against the ruling.

Board Announces Official Referendum Results

PA1811012192 Panama City Circuito RPC Radio in Spanish 0031 GMT 18 Nov 92

[Announcement by Ana Vazquez de Palau, president of the Panamanian National Vote Counting Board, at the Ricardo J. Alfaro Room of the Chamber of Commerce in Panama City—live]

[Text] We ask the personnel who have worked tirelessly at our side to get ready to hear the official results—that is, the proclamation of the results of the 15 November referendum on constitutional reforms. This is the moment we have been waiting for.

This proclamation act by the National Vote Counting Board states:

At 1400 on 15 November 1992, based on our prerogatives and after fulfilling legal requirements, the National Vote Counting Board, headquartered in Panama City, Panama Province, met.

The act was signed by Secretary Cesar Mario Escobar Galvan, identification card No. 8-156-691. At 1918 on 17 November 1992, after receiving the vote tally sheets from all the voting circuits, we established the following results:

Total national number of persons who voted: 559,651
Vote tally sheets counted: 3,918
Yes votes: 174,690
No votes: 357,355
Voided votes: 27,606

The following parties presented complaints [incidencias]: Democratic Revolutionary Party, Labor Party, and Liberal Party. Having completed the legal formalities and having verified that this record is equal in content with the copies that have been issued, the following sign for the record on behalf of all those who have participated in this vote count. The secretary certifies these signatures and authenticates the record.

The record will be signed by: Ana Vazquez de Palau, the president of the National Vote Counting Board; Oscar Ucros, for the Liberal Party; Jorge Eduardo Ritter, for the Democratic Revolutionary Party; Ramon Lima, for the Christian Democratic Party; Rene Crespo, for the Nationalist Liberal Republican Movement; Nestor Tomas Guerra, for the Labor Party; Paul Legnadier, for the Authentic Liberal Party; Teodosio Bernal, for the Doctrinaire Panamamenist Party; and Jose Miguel Aleman, for the Arnulfista Party.

Legislators Urge President for Full Cabinet Change

PA1811003292 Panama City LA PRENSA in Spanish 17 Nov 92 p 1a

[Text] Pro-government legislators Leo Gonzalez, Alberto Cigarruista, and Marco Ameglio on 16 November warned President Guillermo Endara of the need for a

complete cabinet change, because otherwise the government "will taste" a "spectacular defeat" in its 1994 presidential aspirations, while traditional parties run the risk of disappearing.

"Obviously the government's image is worn through and this is because it does not want to make cabinet changes, changes to autonomous institutions, and in the Justice Branch. The people were promised work, justice, roads, street lights, and water and they have received nothing," Endara was told.

Gonzalez believes that the young legislators have the responsibility to make Endara vary his policy and make changes in his government and if "the people want a Constituent Assembly this must be given to them."

Gonzalez warned that if these changes are not made he will not go down with that "ship of failed people who are dictating the country's policies, including the PDC [Christian Democratic Party]."

National Assembly Vice President Alberto Cigarruista admitted the indispensable need for cabinet changes because the government should be aware that it has not kept its 1989 campaign promises.

"Our government must correct its mistakes, change attitudes, and change politicians, to gain a better country aimed at consolidating democracy," Cigarruista said.

Cigarruista also attributed the winning of the no [vote] in the referendum because the Assembly "had to approve" unpopular laws to get the economy's structural adjustments under way.

Legislator Marco Ameglio, a former National Assembly president, believes that the country is undergoing a deep credibility crisis due to the lack of confidence in the government, the institutions, and in the actual political parties.

"We still have time to recover our image with the people. We believe that changes are needed to convert this democracy into a more effective democracy," Ameglio underscored.

Oscar Arias Sanchez, 1987 Nobel Peace Prize winner, said that the true significance of the referendum would have been known had the reform to eliminate the Army been submitted on their own.

According to Arias this is how he proposed it at the time, knowing full well the political difficulties of divulging and forming a national consensus on 57 constitutional reforms of great importance.

Notwithstanding, Arias said that the result of the popular consultation does not mean that Panamanians have given up their relentless desire to de-militarize the country, or that they want to return to the political and legal situation that prevailed prior to 1989.

Arias believes that due to the complexity of the many amendments, this did not allow Panamanians to vote exclusively on the contents of the reforms; on the contrary, they took advantage of the referendum to evaluate the work of leaders and their institutions.

Comptroller General Ruben Dario Carles pointed out that the PDC suffered its third defeat and gave assurances that Endara's only mistake was to believe in laws the country does not need and which were created by the PDC.

"They (the PDC) are the masterminds of these reforms. What happened is that because everything worked out badly for them, they are no longer on top of things, everything has turned sour because of their own mistakes and because they tried to include a bunch of things in these reforms only to end up with such a failure," Carles said.

"How is it possible that a party that believes itself the best in the world, in a short time loses five ministries, a mayor's office, autonomous entities, and the Assembly's majority? This has only one explanation: they are incapable," the comptroller said.

Free Zone Trade Could Prompt U.S. Aid Cutoff

PA1711173092 Panama City EL PANAMA AMERICA
in Spanish 16 Nov 92 p 6A

["Hidden Truths" column by Tomas Cabal: "Trade with Cuba May Prompt U.S. Economic Aid Cutoff"]

[Text] The fact that some Colon Free Zone businessmen continue to trade with Fidel Castro's communist government could prompt a suspension of U.S. financial aid, some experts have said.

A U.S. aid cutoff could be based on the recently approved Torricelli law, which is intended to strengthen the economic blockade against Cuba and accelerate democratic reforms on the island.

The new law also prohibits U.S. subsidiaries from trading with Cuba. Trade with U.S. subsidiaries and activities in the Colon Free Zone have helped the battered Cuban economy stay afloat.

Cuba currently faces a severe economic crisis following the suspension of trade relations with the former Soviet Union and its communist satellites.

Free Zone reports show that for years Panamanian and Cuban companies have engaged in trade transactions of up to \$100 million. According to reliable sources, Cuban officials appointed to security organizations constantly violate the U.S. embargo through ghost companies and other businesses such as the Enterprise for Rendering Services to Foreigners, CUBALSE.

CUBALSE transports merchandise four times a month aboard Cuban ships. Cuban Oreste Martinez Martinez,

the new CUBALSE manager, works for the DGT [expansion unknown] in the counterintelligence department, according to intelligence sources.

Cuba continues to engage in transactions with the Free Zone despite strained diplomatic relations between the two countries. The Panamanian Government expelled the Cuban ambassador and reduced the Cuban mission to a minimum after the 20 December U.S. invasion. Foreign Minister Julio Linares has stated, however, that "Panama is free to trade with any nation it pleases".

Other information from the Free Zone reveals that some Panamanian companies send U.S. products directly to Cuba in violation of the U.S. embargo.

These violations have prompted the U.S. Embassy in Panama to compose a "black list" of companies that break the law. With the implementation of the new law, trade with Cuba could mean a U.S. economic aid cutoff

to Panama. The new law establishes a suspension of aid to countries that violate the embargo, either directly or through subsidiaries.

The law also prohibits ships that use Cuban ports from docking in U.S. ports.

It remains to be seen what President Endara's administration will do about this. Government sources claim that ranking Panamanian officials support trade relations with the Castro regime. Marcos Harris, a close relative of the Presidency minister and assistant manager of the Free Zone, is the manager of Panama Agencies, one of the shipping companies that promotes trade with Cuba.

If Panama continues to send products to Cuba through the Free Zone it stands to lose millions of dollars in U.S. economic aid. Undoubtedly a U.S. economic aid cutoff would represent serious losses to the country compared to the meager profits obtained in trade with the Castro regime.

Argentina**Arms Dealer Claims Menem Helped Him Get Passport***PY1711204992 Buenos Aires PAGINA/12 in Spanish 3 Nov 92 p 7*

[Excerpts] "After complying with all the proceedings established by law, I obtained my permanent residency and passport for foreigners in Argentina, thanks to my friendship with President Carlos Menem and the help of [former] Interior Minister Julio Mera Figueroa." This is one of the most striking paragraphs found in the lengthy testimony given by arms dealer Monzer Al Kassir to Spanish Judge Baltasar Garzon; the testimony was published in today's edition of the Spanish magazine TRIBUNA, published in Madrid. [passage omitted]

Al Kassir testified that "several days before leaving Argentina, on 6 or 7 February 1990, I was wondering whether I ought to seek the help of my contacts. On that date I was invited by President Menem to Government House, where I remarked that I could not return to Argentina as I was having trouble obtaining a residency permit."

According to Al Kassir's testimony, President Menem was most considerate toward him. "Although I had warned him that everybody was telling lies about me, and that I did not wish to complicate matters, Menem called the interior minister and gave him detailed instructions to grant me the papers. After that it was quite easy for me to obtain my permanent residency permit for a year or two [as published]. I was also granted a passport for foreigners, and I began proceedings to obtain my Argentine citizenship."

TRIBUNA reports that in his testimony before Judge Garzon, Al Kassir stated that "special passport for foreigners No. 129393487 was issued through the express orders of Argentine President Carlos Menem and Interior Minister Julio Mera Figueroa. The latter ordered some people to accompany me from Government House to the office of the police chief, who apologized for not being able to personally assist me, as he was holding a meeting with the then Israeli ambassador." [passage omitted]

Last June, TRIBUNA published a report allegedly drafted by the Argentine secret service reporting on Monzer Al Kassir's visits to the Olivos presidential residence and Government House. The article in today's TRIBUNA issue reports that the Menem administration had reportedly requested Al Kassir "to sell an important shipment of weapons allegedly bound for some Middle East country. Argentine authorities were well aware of Al Kassir's excellent contacts with several governments and administrations, which he served as a go-between in the arms trafficking business." TRIBUNA asserts that "actually, although Al Kassir has not been interrogated on this issue, the Argentine Government had entrusted

Al Kassir with negotiating the future sale of the so-called Condor Project." [passage omitted].

Defense Ministry Denies Deal To Sell Tanks to UAE*PY1611172892 Buenos Aires LA PRENSA in Spanish 14 Nov 92 p 6*

[Excerpt] On 13 November, Argentine Defense Ministry officials flatly denied the claim by Radical Civic Union [UCR] deputies that a \$1 billion deal involving the sale of Argentine tanks to the United Arab Emirates [UAE] had been scuttled.

UCR Deputies Victorio Bisciotti, Juan Gauna, and Augusto Spinosa stated in their request for information submitted to the executive branch that the current administration had "discouraged" the sale of 500 Argentine medium tanks manufactured by TAMSE [Medium Argentine Tank Factory, State Enterprise] in Boulogne. Each tank is worth \$2 million.

In response to this claim, a Defense Ministry official stated that Argentina and the UAE have never conducted formal negotiations involving the sale of military equipment, nor has a concrete proposal or offer been received.

The source admitted that preliminary talks were held in 1988 through an authorized middleman, but these talks were not successful so they did not develop any further, not even to the point of formal negotiations.

The TAMSE factory, which is under the Defense Ministry's jurisdiction, currently is being liquidated and bids will be called to rent its facilities for a civilian factory. Several auto parts' facilities and metalworking companies are interested in renting the installation. [passage omitted]

Article Views Southern Cone Nuclear Policy*PY1611221992 Buenos Aires LA PRENSA in Spanish 15 Nov 92 p 9*

[Article by Alfredo Canedo]

[Text] The government believes that the Peaceful Use of Nuclear Energy Agreement, which was signed by Foreign Minister Guido Di Tella and U.S. Ambassador Terence Todman in Buenos Aires on 3 September, will enable the National Atomic Energy Commission (CNEA) to build reactors and sell them to third countries. However, official reports are still very confusing as they do not define any concrete project or establish any means to finance the development, design, and manufacture of sensitive materials.

This situation is new. We must remember that until quite recently the United States feared that the proliferation of Argentine nuclear technology would result, not in its use in war, but in possible sales to the Near East. In March 1991, following the sale of a research reactor to

Algeria during the administration of former President Raul Alfonsin, the U.S. Department of State press office sent the Latin American media a report on the sale stating: "The existence of nuclear reactors and medium-range missiles in Algeria, which is in an area of strategic interest to the United States, represents a threat. It is also cause for concern that Argentina possess said material and that it chooses to trade it with Algeria."

What is behind this "new position" in U.S. diplomacy and what is the political and economic significance of such an important change? We believe the matter was entirely clarified 15 days ago when Minister Di Tella reported that, through the Peaceful Use Program, Argentina will cooperate with important U.S. private companies in the field of nuclear research. This new position also convinced Di Tella that over the next few months the Applied Research Institute (INVAP) will sign a similar agreement with the governments of France, Italy, and Japan. In other words, The Peaceful Use Program increases, for the United States, the importance of developing the Argentine nuclear program in light of the changes occurring in defense and security in the industrialized world.

In nuclear matters, Argentina is now "trusted" by the United States. For several reasons, this position offers extra benefits. This is shown in two paradoxical events, which must be discussed:

The U.S. State Department has reported that the decision by the PRC Government to sell a 300 megawatt reactor to Iran is "very regrettable" because the reactor could be used to develop nuclear weapons which would then be sold to Third World countries. This was officially reported by spokesman Richard Boucher on 12 September.

As expected, the PRC Government officials played their role of "protagonists." Just one day after the U.S. Government opinion became known, the official XINUA Agency stated, in an article datelined Washington, that "the United States is an arrogant country because it objects to nuclear cooperation between the PRC and Iran, which clearly has peaceful goals." The article added that "White House and State Department leaders continue to believe the PRC Government is planning a nuclear war with the West."

At about the same time—or to be more precise, on 20 September—Rio Negro Governor Horacio Massaccesi signed an agreement in Egypt. With the agreement, the INVAP and the U.S. Atomic Energy Authority agreed to build a multipurpose nuclear reactor in northeast Egypt, 50 km from Cairo, to replace one built in the 1950's by the former Soviet Union when then President Gamal Abdel Nasser was the Soviets' strongest ally. For this the Rio Negro Government will receive \$90 million before the end of the year. The Egyptian Government has already made an advance payment of \$20 million.

While this operation—which was restricted only to Cairo—was being conducted, Minister Di Tella negotiated on 29 September an agreement for nuclear cooperation with his French counterpart Roland Dumas. One day later the Argentine Foreign Ministry released a communique in support of Di Tella's negotiations. It said: "Argentina's support for international commitments that seek to prevent the proliferation of nuclear weapons of mass destruction allows our country to continue to develop a competitive international nuclear industry."

Brazil has begun to look with certain distrust at the nuclear agreements signed abroad by Argentine officials. Brazilian Rear Admiral Othon Pinheiro da Silva, Navy chief of staff and director of the Nuclear Research Center, said in an article published in the Brazilian O GLOBO newspaper: "Brazil should be prepared to defend its nuclear development and even to back up its diplomacy." He also stressed that the Brazilian Armed Forces should safeguard the national borders and the country "from foreign companies that want to exploit sensitive issues."

Other military circles concur. Brazilian Brigadier Hugo de Oliveira Piva, director of the Brazilian Air Force Institute of Advanced Studies, is annoyed because suspended President Fernando Collor de Mello signed last July with Argentine President Carlos Menem an agreement allowing inspections of each others installations to guarantee the non-existence of secret atomic programs in Argentina and Brazil.

His main concern is that this agreement considerably harms the unfortunate "Military Nuclear Program" which seeks to master the complete nuclear fuel cycle for military purposes. This "hard" attitude of the military chiefs was discussed by the defense committee of the Brazilian Senate. Senator Jarbas Passarinho prepared a draft bill proposing that the "Military Nuclear Program" be kept "secret" and without any international control. He also proposed a "broader" nuclear cooperation agreement with Germany.

To this we must add that a bill was sent last month by the Brazilian Physics Society to Congress recommending the construction of new nuclear reactors under the control of the Navy, Army, and Air Force.

The most important part of these issues, which must be mentioned, are Brazil's 30 million [currency not specified] and the 19 advisers from the Brazilian National Security Council who are working in Baghdad with experts of the Iraqi Nuclear Center. Brazilian scientists are there helping to construct a long-range missile capable of transporting nuclear warheads and an "air-to-air" missile in exchange for Iraqi technology and prototypes to enable the manufacture of missiles in Brazil.

The result of all this is that the Argentine Government should remain alert to preserve its strategic interests,

with its eyes firmly fixed on a balanced nuclear development in the Southern Cone.

Menem, Losada on Electoral Reform Possibility

93SM0037A Buenos Aires LA PRENSA in Spanish 12 Oct 92 p 6

[Unattributed report: "Menem: There Will Be No Electoral Reform"]

[Text] President Carlos Menem categorically denied that the government is studying the draft of a bill to reform the Electoral Law. According to unofficial reports, the purpose of the bill is to win reelection for the president in 1995.

"There is no possibility of electoral reform: none, absolutely none," Menem answered emphatically when questioned on a radio broadcast concerning a possible initiative designed to change the current system.

According to information leaked to journalists, top officials of the government are studying the text of a bill to reform the Electoral Law. The bill was reportedly drafted at the Secretariat of Institutional Affairs of the Ministry of the Interior with a view to winning a larger majority for the administration in the Chamber of Deputies and thereby making it possible for President Menem to be reelected in 1995.

These reports also state that the proposed reform provides, among other things, for the division of all the districts in the nation into subdistricts equal in number to the number of deputies and senators who are to be elected.

In this way, the candidates of each of the parties will compete only for the seats within each individual sub-district, and the vote totals for the individual parties in the district as a whole will not matter.

In addition to Menem's denial, many top officials of the government are reportedly opposed to the kind of electoral reform proposed in the bill drafted at the Secretariat of Institutional Affairs.

High Justicialist Party [PJ] officials were of the opinion that the bill would not benefit the party because, in their view, the administration would not have enough "quality" candidates in many of the jurisdictions to ensure the kind of victory that would give the party a two-thirds majority in the Chamber of Deputies.

According to government sources quoted in yesterday morning's CLARIN, the promoters of the bill reportedly believe that if their system had been in effect during last year's election for seats in the Chamber of Deputies, the administration would have won 30 of the 35 seats at stake in Buenos Aires Province, whereas the Radical Civic Union [UCR] would have won all the seats available in the Federal Capital.

The bill's promoters figured that implementation of the system of election by subdistrict would generally favor the two majority parties but especially the PJ, which would thereby indeed be able to win two-thirds of the seats in the lower house in the 1993 election.

They reasoned that this two-thirds majority would enable the PJ to achieve constitutional reform before 1995 in order subsequently to reelect the president.

"Folly"

However, spokespersons close to Interior Minister Jose Luis Manzano say that to try to enact this bill is "folly" because "it would have to be introduced during the special sessions, and given the relationship we currently have with the opposition it would have no chance of passage."

"The UCR is going to say no' even before we sit down to talk," administration sources pointed out, "and will allege that it is a tactic to win the elections. Not to mention the small parties," these sources add, "because they are the ones who will be hurt most directly by a uninominal system."

Admiration

President Menem noted, on the other hand, that Argentina "has become a country that elicits the admiration of politicians, the business community, students, and intellectuals."

The chief executive day after tomorrow will begin a trip that will take him to Brazil, Mexico, and the Dominican Republic. While in the latter country the president will meet with Joaquin Balaguer, "who is," he says, "a great admirer of the Argentine Republic and was a close friend of General Peron."

Before proceeding on to Mexico the president will stop in Brasilia, where he and his colleagues Andres Rodriguez from Paraguay and Luis Lacalle from Uruguay will meet with Brazilian President Itamar Franco to discuss the future of Mercosur in the aftermath of the removal from office of Fernando Collor de Mello.

That same Wednesday—at the conclusion of the meeting in Brazil—Menem will leave for Mexico, where he will meet with President Carlos Salinas de Gortari to sign bilateral accords and then continue on to Santo Domingo, where he will end his tour.

Meanwhile, Menem has proclaimed the tour he made to Italy, Germany, and the Vatican as "exceptional." He recalled that during the meeting he had with John Paul II "not a word was uttered that called into question what is taking place in Argentina, nor its development and spectacular progress."

[Box, p 6]

Position of the UCR

The Radical Civic Union "will oppose any electoral reform plan," UCR National Committee Chairman Mario Losada insisted upon his arrival in Misiones.

Losada declared that at the meeting of the executive board in the capital of Entre Rios, the "UCR expressed its total opposition to what could turn out to be an electoral tactic for next year" and added that "the party will oppose any electoral reform plan."

He voiced the opinion that "there should be a single election day, rather than an attempt to carry out staggered elections based on the government's expectations and speculations."

In conclusion, the senator from Misiones said that the meeting in Parana was "very valuable" because of the "quality of the debate, the presence of leaders from every part of the country, and the conclusions that were reached."

De la Rúa

For his part, National Deputy Fernando de la Rúa anticipated a "change in events and specific attitudes within the government" so that the dialogue with the administration might continue.

Menem Blames Businessman for Devaluation Rumor

PY1411122092 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 2300 GMT 13 Nov 92

[Text] Buenos Aires, 13 Nov (BNA)—President Carlos Menem, clearly annoyed, emphasized today: "We will not devalue the peso." He blamed the run on dollars on the "irresponsible action of one of Argentina's big businessmen," the head of the Techint company: Agostino Rocca.

Speaking before the insurance workers union, Menem called the report of devaluation announced by the businessman "malicious and crooked. This is also how Menem referred to Rocca's comments to a group of foreign correspondents when he indicated the need to devalue the peso, but not to have a large devaluation with "perverse speculative effects."

He advised the government, however, to begin a limited change in the price of the dollar.

Very much annoyed and receiving much applause from the country's leading sports figures, Menem added: "I tell you with frankness and sincerity that we will not devalue."

He did not reveal the identity of the businessman at first, saying: "You will read it in the paper tomorrow." But as Menem was leaving, he said: "Agostino ... I believe it is Agostino Rocca."

Menem said: "The rumor that we were going to devalue the peso led banks to purchase dollars quickly, thus making people believe that malicious and crooked rumor."

In one of the harshest personal attacks unleashed by Menem since his inauguration, the president said that Rocca "is one of the men who became very wealthy in the last few years in Argentina."

The holding [preceeding word given in English] company Techint made a bid for and won the right to purchase the state telephone company (Southern Zone Telephone). Techint was also the only company interested in and the buyer of Somisa [Argentine Iron and Steel Joint Association] through the offer of his companies Siderca and Siderurgica Propulsora.

Menem said: "Let me reiterate to you to keep your pesos, because we will not devalue as our currency is finally a real symbol of Argentine sovereignty."

Techint is a company with Argentine capital but the origin of the Rocca family is Italian. It controls the main shares of the consortium that had participated in several public biddings as a state contractor.

Menem added: "This is how we can move ahead in the areas I referred to, as well as in physical education and sports, both of which I believe are very important."

Cavallo Promises Further Convertibility Measures

PY1711205592 Buenos Aires BUENOS AIRES
HERALD in English 17 Nov 92 p 1

[Text] (NA)—Economy Minister Domingo Cavallo seemed set to carry convertibility to its ultimate consequence yesterday, preparing decrees which will allow the dollar to practically coexist with the peso if applied. "If people want dollars instead of pesos, then we will make it easier for them to buy them, because instead of less, there will be more convertibility," Cavallo told a lunch at the Canadian Embassy yesterday.

Economy Ministry sources, meanwhile, gave details yesterday of the measures which will dye the already-convertible peso an even darker shade of green. They include:

- (1) Allowing cheques to be issued in dollars and the opening of dollar current accounts.
- (2) Allowing banks to cover their peso minimum cash reserve requirements in dollars, a measure which could come into effect before December.
- (3) Allowing banks to refinance their peso debts in dollars.

The sources reaffirmed Cavallo's determination to sell "all the dollars needed" from the Central Bank to cool the dollar fever which invaded the market last week.

That fever subsided yesterday, with only the Banco Nacion selling some 21 million dollars on a less-than-voracious market.

The sources also maintained that the government is not considering any change in the rules of convertibility, such as switching the one-on-one parity with the dollar to a crawling-peg rate or a basket of currencies. They pointed out that the economy would not be completely dollarized by the new measures, as wages and taxes will still be required to be paid in pesos.

Cavallo's economic team, the sources said, believes the rush on the dollar last week may have been caused by foreign companies turning their peso profits into dollars because of the political uncertainty which seemed to surround the government's economic programme.

Cavallo's Political Isolation Underlined

93SM0037B Buenos Aires LA PRENSA in Spanish 11 Oct 92 p 5

[Report by Sergio Crivelli]

[Text] Inflation and inflationary pressures, which are frequently extremely strong, have proved to be the two most basic problems in a national economy that for decades has been steadily contracting. Minister of Economy Domingo Cavallo has managed to solve the first problem, at least temporarily, but is encountering difficulties in solving the second, that is to say, in putting restraints on sectorial demands. To this end he attempted, during the week just concluded, to regain the political initiative—a phrase repeated incessantly by government officials and spokesmen in discussing their dealings with trade unionists and businessmen—but without achieving satisfactory results.

There are several reasons for the loss of momentum that distresses the economy minister. First, because as the president insistently points out, Cavallo is a technician who is capable of solving fiscal or monetary problems, but when it comes time to deal with political problems, he finds himself standing alone. Last Wednesday, at the Cervantes Theater, it was almost symbolic that he came accompanied solely by his team of coworkers. No other high official of the executive branch showed his face there. It could be argued that a veritable exodus of cabinet ministers abroad had occurred, taking advantage of Carlos Menem's European trip. Although one key man in the cabinet, Eduardo Bauza, was in Buenos Aires during the week, he did not show up at the meeting. Another eloquent indication of Cavallo's relationship with his cabinet colleagues was the fact that when they left the city they all delegated [Education and Justice] Minister Antonio Salonia—rather than Cavallo—to sign their official papers.

In short, most of the members of the government seem to be watching from the gallery Cavallo's arduous struggle against the power brokers who want to make changes in the economic program. Believe it or not, however, this is

not the only adverse circumstance with which the minister must contend. He must also deal with urgent electoral considerations that have already begun to make themselves felt in the offices of the Casa Rosada [presidential residence].

Elections in April?

In this connection, it was rumored at midweek that next year's elections might be rescheduled for an earlier date, and even that the 1995 presidential election might be rescheduled for the latter part of 1994; an option that had to be ruled out publicly by Senate President Eduardo Menem, who is in charge of the executive branch.

Despite the denial, the rumor about the early elections had come from inside the government itself. Moreover, Jose Luis Manzano was said to be behind the proposal. The key to this strategy is to be found in the plan to reelect Carlos Menem, which has never been abandoned, rather than in any possible speculation about the soundness and duration of the economic program. If the elections are held in April and produce a result favorable for the Menem people, there would be sufficient time left to force through Congress—despite the UCR's firm opposition—a bill providing for the election of a constituent assembly. The way would then be open for amending the Constitution in 1994 and consequently for Carlos Menem to become a candidate for reelection.

It goes without saying that Cavallo does not relish the idea of his economic plan having to withstand the ordeal of two elections in a single year and would prefer to have the elections held in October. What is most likely, however, is that the government intends to replicate its successful formula of 1991 and promote the idea of staggered elections held throughout next year.

Isolated in this manner within the cabinet, and with urgent electoral considerations already beginning to knock on his door, the economy minister—as if this were not enough!—is encountering institutional obstacles such as the one being posed for him in the Congress, where his difficulties are “in a crescendo.” A lot of water has flowed under the bridge since the time when he succeeded with the help of Manzano and Bauza to obtain convertibility.

Today, the UCR people have put on their war paint. Cavallo must therefore rely on the support of the entire Peronist movement and its allies of the Center Right; a strategy which obviously has its price and reduces the margin for maneuver. The negotiations with the governors concerning tax reform in the provinces, which will begin this week, will be more complicated for him, and the labor and welfare reform that is indispensable in order for the economic plan to be completed in the medium term will have to be agreed upon with the labor union deputies.

One example alone will serve to illustrate this latter point. Without the welfare reform required by the IMF and the labor reform that will drastically reduce costs for

the companies, maintenance of the fixed rate of foreign exchange will become difficult in the not very distant future. To devalue, something the agricultural community wants; to raise tariff barriers, something the UIA [Argentine Industrial Union] wants; or to unfreeze wages, something the labor unionists want (albeit without pushing hard for it, to be sure) would be to fall directly into the arms of inflation. The only feasible solution, therefore, is to reduce costs by reforming the labor laws. To do so will require obtaining the approval of Congress, but nothing yet indicates that Cavallo is in a position to obtain it. On the contrary, there are indications that some officials in the government itself are working against him. Presidential Secretary Eduardo Bauza, for example, included in the agenda for the upcoming special sessions the bill providing for collective labor agreements that despite all efforts and pressures the labor union deputies were unable to pass because of a lack of time at the conclusion of the regular sessions. Persons close to the economy minister voiced the opinion that this was the result of a commitment Bauza made to the CGT [General Confederation of Labor] leadership when the latter provided a quorum to privatize the YPF [Government Oil Deposits], but they explained, Cavallo has made no such commitment.

Supreme Court of Appeals

Strictly speaking, when the period of special sessions opens it is not only Cavallo who will encounter problems in Congress because of economic, labor, or welfare bills. The government will have to make every effort to win approval of the lists of judges and appellate judges for the oral criminal court system at a time when the Senate is the object of unusual public expectation, thereby making it unlikely that the UCR will give the green light to certain members of the Court of Appeals. Juan Romero Victorica, Ana Capoluppo, or Eduardo Riggi could therefore go into the "freezer" [preceding word in English]. They would, in short, be paying the price for finding themselves in the midst of a harsh controversy at a time when both the UCR and the opposition are beginning to think more about the future than about the present.

Interior Minister Supports Cavallo

PY1611154792 Buenos Aires LA PRENSA in Spanish
14 Nov 92 p 4

[Excerpt] Interior Minister Jose Luis Manzano yesterday reiterated his support for Economy Minister Domingo Cavallo by saying that "the government will close ranks" behind Cavallo, and that "it should be clear to everyone that speculation will not be permitted."

Manzano, whose position was said to have become distant from that of Cavallo, warned speculators that "the economic program itself will punish them because it allows fluctuations. Consequently, they will buy dollars

at a price above the minimum rate, and when the situation returns to normal they will sell them at lower prices." [passage omitted]

Alternative Labor Union Organization Created

PY1811002592 Buenos Aires LA PRENSA in Spanish
14 Nov 92 p 7

[Summary] A new labor union organization, known as the Argentine Workers Congress (CTA) (Congreso de los Trabajadores Argentinos) has been formed. This dissident movement to the CGT (General Confederation of Labor) was created as a valid alternative to union labor organizations that want to struggle for the workers' various demands. The provisional commission is headed by Mary Sanchez, Victor de Gennaro, Cayo Ayala, and Alberto Piccinini.

Bolivia

Government Declines Stand on Torricelli Bill

PY1411131692 La Paz PRESENCIA in Spanish 31 Oct
92 p 1

[Text] Foreign Minister Ronald MacLean has said that the so-called Torricelli Bill recently approved by the U.S. Congress against Cuba, increasing the trade blockade imposed 30 years ago, has been described by some experts as a violation of international law, but the [Bolivian] Government will not take a stand on it.

The foreign minister explained that the Torricelli Bill, which establishes sanctions against third countries that maintain trade relations with the Havana government, does not involve forcing "a sovereign country like Bolivia to implement any type of measure."

The minister added: "We have normal diplomatic relations with Cuba, and we do not have any complications with or involvement in specific bills of the nations involved."

The Torricelli Bill also imposes a six-month ban on ships that have docked at Cuban ports from entering U.S. ports.

Thus far, five Latin American countries—Venezuela, Mexico, Chile, Ecuador, and Brazil—have criticized the controversial bill promulgated by U.S. President George Bush on 23 October. The EC and Japan have also criticized this measure.

In our country, Congress asked the government to take a similar stance, but the foreign minister noted that an official stance on this issue will not be taken because it represents a unilateral action against Cuba.

The foreign minister concluded by saying: "It is a bill of the U.S. Congress, not a UN or OAS resolution."

FRI Leader Becomes Hugo Banzer's Running Mate

PY181114992 La Paz Television Nacional Network in Spanish 0000 GMT 18 Nov 92

[Excerpts] Oscar Zamora Medinacelli, head of the FRI [Revolutionary Front of the Left], former labor minister and former mayor of Tarija, will be General Hugo Banzer Suarez' running mate for the Patriotic Accord in the 1993 elections.

Oscar Zamora Medinacelli has accepted the invitation extended by the FRI Secretariat to run for vice president with Gen. Banzer Suarez for the Patriotic Accord in the 1993 general elections. In a news conference at the Legislative Palace, the former labor minister said he accepted the agreement because he believes in the need to make up a ticket that will meet the majority's social concerns. [passage omitted]

Moreover, Oscar Eid Franco, current head of the Movement of the Revolutionary Left [MIR], said the designation of Zamora Medinacelli as a vice presidential candidate for the Patriotic Accord was decided after consultations with the MIR board. He said that all MIR board members unanimously supported this nomination. [passage omitted]

Cali Cartel Office Discovered in Santa Cruz

PY181120992 Santa Cruz EL MUNDO in Spanish 4 Nov 92 p 11

[Text] Mayor Luis Caballero, head of the Umopar [Mobile Police Unit for Rural Areas] unit headquartered in Chimore, told EL MUNDO that the "administrative office" of the so-called Colombian Cali cartel is based in Santa Cruz. The money used to purchase drugs in Chapare is delivered to this office.

He said: "The intelligence services have reported that a sort of high command is operating in Santa Cruz, where the money is sent from Colombia." Caballero conducted the "Golden Bear" operation in which one of the drug trafficking organization's main branches was broken up.

Caballero said this at the San Martin cattle ranch, where approximately 700 kg of cocaine seized during the operation were exhibited. Jorge Diaz Murcia, aka Renzo, was the head of the organization in Beni.

Caballero said that medium-level commands operate in Santa Cruz, Cochabamba, and Beni Districts, but "the main command" is based in Santa Cruz. They might be functioning in Concepcion or Ignacio de Velasco, where a clash took place recently. On this occasion, a Bolivian citizen died, and an antidrug agent was wounded when they tried to arrest Miguel Andrade Quinteros, the son of Celimo Andrade, who was arrested and prosecuted in Cochabamba. Some \$388,000 in their possession was seized.

Intelligence tasks are being carried out nationwide to find out where they operate. It is believed, however, that Diaz Murcia's arrest will help to obtain "fresh" reports on the locations of the other "Cali cartel branches" that operate in other departments.

Jorge Diaz Murcia, aka Renzo; Gustavo Cuellar Mendez; Rolando Gutierrez Diaz, aka el Rolo; Bolivian Luis Ernesto Arteaga Lelarge; Luis Marcos Rodriguez Lopez (wounded); Marlene Salvatierra Romero; Mario Quispe Altamirano, aka Colla; Felipe Arana Sanguino (from Beni); Martha Arana Sanguino (from Beni); and Ana Delci Fernandez Negrete from Santa Cruz were arrested after a shootout during the "Golden Bear" operation in San Borja. They are being questioned.

Caballero said the drug traffickers decided to take cocaine paste directly to Colombia because pressure on cocaine-processing laboratories has intensified in Bolivia. The drug is processed in Colombia and then taken to the United States and Europe.

Drug Ring Boss May Be Linked to Huanchaca Case

PY1311005092 Santa Cruz EL MUNDO in Spanish 30 Oct 92 p 13

[Text] Luis Salomon Soria, alias "Lucho"—the mastermind of an international drug trafficking ring disbanded by antinarcotics forces from Argentina, Bolivia, and Brazil in operation "Tango"—might have been one of the suppliers of raw cocaine paste for its crystallization at the laboratory of Huanchaca, where professor Noel Kempff Mercado and his companions were murdered on 5 September 1986.

According to police reports, Luis Salomon Soria is the brother of Norberto "Bubby" Salomon, who was [former de facto President] Luis Garcia Meza's aide and the owner of a ranch called "Campo 23." It must be recalled that several high-ranking military officers were prosecuted for the sale of this ranch.

Salomon Soria is the owner of the "Santa Teresita" ranch, located on the border with Brazil, between the villages of San Matias [Beni Department] and San Ignacio Velasco [Santa Cruz Department]. In the foregoing operation he was shot in the leg, and it is thought that he is being treated at Foianini Clinic in Santa Cruz, although he is not listed as a patient.

Salomon Soria also owns a light aircraft bearing license plate number CP-1618, which was seized during the operation. An official report published by the Interior Ministry notes that 17 kg of cocaine hydrochloride were seized as well. But according to reports broadcast by an international television network, the amount of cocaine hydrochloride seized totaled 700 kg.

Sources close to the Special Antinarcotics Force [FELN] confirmed the arrest of 12 people, although only the

names of a Brazilian, Darci Periera, and four Bolivians—Luis Salomon Soria, his wife Maria Cristina de Salomon, Jorge Rivero Antelo, and Abelino Aguayo—have been disclosed.

Local antinarcotics authorities keep the so-called "Tango" operation very hush-hush, though unusual comings and goings were reported at narcotics headquarters.

According to what was made public, the people held in custody are currently being questioned by DEA agents in a safe house, and will be taken to Cochabamba today.

The drug trafficking ring exported drugs to Sicily, Italy, via some Brazilian towns. Narcotics Chief Colonel Jairo Sanabria has kept the whole affair secret, neither denying nor acknowledging that the seizure of property located in the McDonald neighborhood is related to this case.

Brazil

Franco, Krause Disagree on Economic Issues

PY1711020892 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Nov 92 Economy Section p 3

[Article by Beatriz Abreu]

[Excerpt] The Itamar Franco administration has still not managed to achieve a consensus on a policy for state-owned enterprises. The interim president wants to closely control prices and public rates. This was demonstrated this week when he asked Petrobras [Brazilian Petroleum Corporation] and the economic area ministers to verify the necessity and accuracy of the adjustment percentages on fuel prices—something they were unable to achieve until yesterday.

Economy Minister Gustavo Krause, one of the people challenged, epitomized: "The president challenges his ministers by asking them questions that are being raised by ordinary citizens." The president asked the ministers why public rates are able to rise every month while minimum wages rise only every four months. Communications Minister Hugo Napoleao raised concerns by announcing that he will increase two Telebras [Brazilians Telecommunications, Inc.] rates—local calls and the cost of telephone tokens, which are included in the inflation estimates—every four months. This measure was interpreted as a general guideline to be implemented by all [state-owned] enterprises.

Administration Contract

Krause and Planning Minister Paulo Haddad were forced to explain that they do not want to suppress the rates of state-owned enterprises and create a greater public deficit in order to curb inflation. In fact, the ministers are divided between the need to guarantee the control of the enterprises by the executive branch — "they want to be independent concerning profits and dependent concerning deficit," one of Krause's aides criticized—and a project to implement in the mid-term,

the so-called administrative contracts, which guarantee more economic-financial independence to the boards of directors, but are incompatible with the price control suggested by the president's style.

The ministers' immediate problem involves resolving how the state-owned enterprises will help the government curb inflation without incurring losses. This week the economic team will present to the president a proposal to create a timetable of increases that will permit the adjustment of prices and rates every two or three months, and, at the end of a given period, will also keep pace with inflation.

According to experts and during the discussion on the state-owned enterprises, Itamar Franco imposed his viewpoint on one point: The adjustments must mainly reflect the evolution of the costs of each enterprise and not just transferring inflation, as was done so far with the electric energy sector. The idea is to implement a sound balance sheet. Increases will be granted keeping one eye on inflation and another eye on the specific costs of each sector. [passage omitted]

Planning Minister on Economic Policy Outlines

PY1811012592 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 17 Nov 92

[Interview with Planning Minister Paulo Haddad by reporter Cristina Indio do Brasil; place and date not given—live or recorded]

[Text] [Indio do Brasil] Mr. Minister, the government is at this moment preparing two documents: one on a short-term policy, and another on a medium- and long-term policy. What is the government's interest in these two documents?

[Haddad] Well, the short-term policy document seeks to establish a stable federal government stance regarding some issues, such as the tariff policy, the exchange and monetary policy, and the salary policy. This has nothing to do with a shock treatment of the economy; there will be no provisional measures, no changes that might surprise the people. What we intend to do is to provide further details of the 13 points on the economic policy announced by the president on 2 October.

Concerning the document on medium- and long-term policy, it is an agenda of issues which will be of interest to the country during the next 10 years, such as the eradication of poverty, industrial decentralization, the resumption of development, the preservation of the environment, and so on.

With this policy we intend to provide an opportunity to organized segments of society to bring forward their suggestions, subsidies, and so on.

[Indio do Brasil] How will this idea of receiving proposals from different segments of society be handled? Will everything be centered here at the Planning Ministry, for instance?

[Haddad] No. Each ministry will take care of its specific area. What we intend to do is provide an opportunity to participate, and depending on the matter, the situation will vary from ministry to ministry. Some ministries will be able to make consultations from Brasilia, while other ministries will have to centralize them in the regions.

[Indio do Brasil] Mr. Minister, do these two documents represent a government response to criticisms that the government is not doing anything in the economic area?

[Haddad] Well, the first criticisms are unjustified, because in five weeks we have managed to make a fiscal adjustment which the previous government had not done in two and a half years. Moreover, other concrete measures were adopted, such as submitting to the Senate the text of the foreign debt agreement. It includes Bank of Brazil financial assistance to small- and medium-size companies. I could mention 20 or 30 concrete measures that were adopted.

[Indio do Brasil] Concerning the salary policy, the government has said it will adopt a provisional policy. There are rumors about the possibility of a bonus. Can you confirm this?

[Haddad] No. The government is not studying the possibility of paying a bonus. What Labor Minister Walter Borelli has done so far is hold broad consultations among labor unions and business associations, seeking to design a new policy on this matter. He will announce as soon as possible the basis of the new salary policy.

[Indio do Brasil] Concerning public utility rates, Mr. Minister, is the government interested in consolidating an increase in utility rates?

[Haddad] No. What the government seeks is a new way to establish public utility rates. The government is not satisfied with the practice that was in effect when this government was installed, when most state companies simply transferred to consumers the inflation of the previous months, through an indexation method.

[Indio do Brasil] Will that end?

[Haddad] It will end, because increases in utility rates will be based on the real situation and on the companies' effectiveness.

[Indio do Brasil] The minister also said he is radically against a 30 percent increase in the minimum salary now, because businessmen will simply transfer to prices the cost of salaries, now that the inflation rate has already reached 23 percent.

Chamber Investigating Case of Missing Prisoners

PY1711202692 Rio de Janeiro O GLOBO in Portuguese 16 Nov 92 p 3

[Excerpt] Brasilia—The deputies who make up the Chamber of Deputies committee looking into the case of missing political prisoners will today ask Justice Minister Mauricio Correa to protect the life of Marival Chaves, former sergeant in the DOI-CODI [Department of Domestic Operations-Internal Defense Operations Center], who reported to VEJA magazine details of the torturing and execution of 17 prisoners during the military dictatorship. The deputies want to question Chaves in an attempt to clarify the cases of 144 missing political prisoners, 59 of whom disappeared in the Araguaia River Region.

The charges—among them one stating that Deputy Rubens Paiva was murdered and dismembered and parts of his body were buried in various places—shocked the justice minister.

Minister Correa yesterday said: You may all rest assured that the government will not hesitate to look into these charges. It has already been made clear that these facts must be promptly clarified. He added that he was only waiting for President Itamar Franco's return from Juiz de Fora, Minas Gerais State, to decide what measures would be adopted in this regard.

Nilmario Miranda, the Minas Gerais Workers' Party deputy who heads the committee, said: "We cannot delay this investigation any more." He believes the sergeant's charges confirm the need to meet repeated demands for an investigation into these sort of charges.

Nilmario said yesterday: "This former soldier's life is very important in clarifying the fate of the 144 Brazilian political prisoners whose bodies have never been found. Currently, no one can say the charges are being investigated for vindictive reasons. It is now time to investigate these charges in depth, particularly as this will prevent the Army from being harmed, as an institution, by the past actions of some of its former members." [passage omitted]

General Calls Case 'Waste of Time'

PY1711225292 Rio de Janeiro O GLOBO in Portuguese 17 Nov 92 p 8

[Text] Brasilia—Less than an hour after Justice Minister Mauricio Correa announced the opening of an investigation into the disappearance of political prisoners during the military regime, General Gilberto Serra, chief of the Army Social Communications Center (Cecomsex), questioned, during an interview, the need for an investigation. Serra understands "it is a waste of time" to investigate what happened during that period, as nothing will be found. In his opinion, what happened during the military dictatorship was a consequence of a state of war, when deaths occur commonly, and the opening of investigations may mean an end to the amnesty.

"If we begin to investigate those cases, we will put an end to the amnesty. This was a black period for both sides, but the Armed Forces were not those who violated the law," the general said, referring to the bank robberies carried out by guerrillas.

Justice Minister Mauricio Correa did not want to make any comment upon learning about the military reaction to his decision to investigate the accusations made by the former sergeant. Correa claimed he needed to study the amnesty law.

Gen. Serra believes that many missing prisoners were killed by the organizations to which they belonged, although their deaths were attributed to the Armed Forces. The Cecomsex chief said he could not be forced to believe in the veracity of all that was published in the magazine, and that Army Minister General Zenildo de Lucena was sad the article had once again brought up the subject of torture.

Attorney General on \$50 Million Bribe Attempt

PY1711164692 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 17 Nov 92

[Text] Attorney General Aristides Junqueira has said in London that he was offered a bribe if he did not press common criminal charges against suspended President Fernando Collor.

A short time ago, before attending a lecture at the House of Commons, Junqueira talked with reporter Pedro Bial.

[Begin Bial recording] Junqueira has confirmed that on 11 November, a lawyer contacted his cabinet chief to report the bribe attempt. The attorney general said he was offered an unlimited amount. The \$50 million offer was only an initial figure. Junqueira could have asked for any amount if he did not press common criminal charges against Collor before the Supreme Court. Junqueira said with indignation: There are a few people in Brazil who think that every Brazilian will sell himself for a price. Those people forget that the majority of Brazilians—and I am part of this majority—are honest. Since my childhood I have built a barrier of honesty, which will not be destroyed by a few million dollars, Junqueira concluded. [end recording]

Court Submits Request To Prosecute Collor

PY1811011992 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 17 Nov 92

[Text] The Federal Supreme Court [STF] has submitted to the Chamber of Deputies a request to prosecute suspended President Fernando Collor on charges of common crimes.

The STF president submitted to the Chamber of Deputies secretary early this afternoon the request to prosecute suspended President Collor on charges of unlawful association and passive corruption.

In a nine-line letter, the STF president notes that in keeping with the Constitution and following the charges made by the attorney general, it is up to the federal deputies to authorize the prosecution on charges of common crimes.

This will be voted on in an open session, pending a decision by the president of the Chamber of Deputies.

Party leaders today met and decided to vote tomorrow for a proposal that would change the Chamber of Deputies' internal system to end the practice of a secret session in these cases.

Four Ministers Join Parliamentary Front

PY1311202192 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Nov 92 p 12

[Text] Brasilia—The government endorsed the Parliamentary Front ceremony yesterday during which the front's new leadership was elected with Senator Jose Richa (PSDB-PR) [Brazilian Social Democracy Party-Parana] as president. Four ministers joined the movement during the ceremony at the Senate plenary hall. In addition to the legislators, governors and union leaders attended the event.

Foreign Minister Fernando Henrique Cardoso, who joined the front, confirmed that interim President Itamar Franco intends to unofficially implement the parliamentary system if it is chosen in the 12 April 1993 plebiscite. If this is the case, Franco will informally make Senate government leader, Pedro Simon (PMDB-RS) [Brazilian Democratic Movement Party-Rio Grande do Sul], prime minister. Ministers and politicians close to Itamar say Simon has been instructed to study the state reform within the framework of a parliamentary system. In addition to Minister Cardoso, Social Security Minister Antonio Britto, Social Welfare Minister Jutahy Junior, and Culture Minister Antonio Houaiss have signed the registry of support for the front. Industry and Commerce Minister Jose Eduardo Andrade Vieira also participated in the ceremony but he has not changed his support for a presidential system. In addition to Andrade Vieira, the only ministers who do not form part of the movement's consultative council are Communications Minister Hugo Napoleao and Henrique Hargreaves, the head of the Civilian Household.

Hargreaves has told Richa he supports a parliamentary system. However, he said that because he is one of the ministers closest to the interim president, his participation in the front might be interpreted as official government support for the movement.

Federal District Governor Joaquim Roriz and Rondonia Governor Oswaldo Pianna also have joined the front. The most applauded decision to join the movement was that of Deputy Maurilio Ferreira Lima (PMDB-PE) [PMDB-Pernambuco], who was supposed to coordinate the presidentialist movement within the Chamber of Deputies, and PMDB leader Deputy Genebaldo Correa

(PMDB-BA) [PMDB-Bahia], who is an ally of party President Orestes Quercia and Deputy Cid Carvalho (PMDB-MA) [PMDB-Maranhao].

In the next few days Minas Gerais Governor Helio Garcia (who does not belong to any political party) will pay his first visit to Itamar. As a contribution to the parliamentary system, he will deliver to the interim president a draft to create a party. According to Deputy Israel Pinheiro Filho (from Minas Gerais but not belonging to any party), who spoke to Garcia, the governor's idea is to use the same formula used by Getulio Vargas when he promoted the creation of the PTB [Brazilian Labor Party] to shelter political adversaries who could no longer coexist with the former PSD [Democratic Social Party]. Pinheiro Filho said: "Our current PTD will become the PSTR [expansion unknown]. We will need two parties to house rival parliamentarians, such as Governor Joaquim Francisco and Deputy Roberto Magalhaes (PFL-PE) [Liberal Front Party-Pernambuco]."

Workers' Party Wins in Three State Capitals

PY1711170092 Rio de Janeiro O GLOBO in Portuguese 16 Nov 92 p 1

[Text] Although the Rio de Janeiro elections are still undefined, the Workers' Party (PT) has already won the elections for mayors in three state capitals: Porto Alegre, Belo Horizonte, and Goiania. In Porto Alegre, the PT was so sure of its candidate Tarso Genro's victory that it did not conduct an exit poll yesterday. The day was spent celebrating. In Belo Horizonte, Patrus Ananias granted an interview already as mayor-elect. In Goiania, the exit poll confirmed that Darci Accorsi was, by far, the most supported candidate. In Salvador, Lidice da Mata—the Brazilian Social Democracy Party candidate who was also supported by the Brazilian Democratic Movement Party and the People's Socialist Party—also celebrated her victory in advance.

New Petrobras President Appointed

PY1811020792 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Nov 92 Economy and Business Section p 8

[Summary] President Itamar Franco announced on 16 November his decision to appoint Joel Mendes Renno as the new Petrobras, Brazilian Petroleum Corporation, president, replacing Benedicto Moreira.

Financial Situation of Materiel Industry Viewed

PY1711142092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Nov 92 p 17

[Article by Roberto Godoy]

[Excerpts] The world's largest manufacturer of armored personnel carriers, the Engesa—Specialized Engineers, Inc.—Company, in 1985 produced under Sao Paulo's summer heat three types of combat vehicles. They all

bore the names of tropical snakes. In 1985, there were squadrons of Cascavel Armored Cars and Urutu armored personnel carriers as well as Jararaca Scout Cars equipping the forces of at least 23 nations in South America, the Middle East, and Asia. Engesa also supplied assorted equipment to nine other customers. [passage omitted]

Problems started with a bad debt incurred by Saddam Husayn, the company's main and privileged buyer. Unpaid obligations totalled \$200 million. Worse yet: a virtually closed mega-contract with Saudi Arabia for between 318 and 660 Osorio main battle tanks, worth \$2.3 billion, fully depleted Engesa's reserves. That deal was closed with the U.S. company General Dynamics. The Engesa company, which at one time had 13 subsidiaries and 6,600 employees, was deactivated with the unofficial intervention of the federal government. Production was discontinued in 1990.

The situation at the Avibras Aerospace Industry, Inc. is one of anticipation. Following the sale to Saudi Arabia of about 10,000 rockets (worth \$70 million) for the Astros II batteries used by Riyadh's infantry forces, company president Joao Verdi de Carvalho Leite has kept together a small group, or "multiplying cell" of accumulated technology, comprising not more than 550 technicians.

Theoretically ready to resume activities, Verdi is now trying to sell, to nontraditional markets that are still receptive to offers from alternative manufacturers, a new version of the Astros rocket developed for mobile and comprehensive coastal defense. This new version was presented for the first time in Washington in October during the Pentagon's suppliers exhibition. Thus far, not a single order has been received.

Government To 'Intensify' South American Relations

PY1811020192 Madrid EFE in Spanish 1704 GMT 17 Nov 92

[Text] Brasilia, 17 Nov (EFE)—Brazilian Foreign Minister Fernando Henrique Cardoso stated today that the Government of Brazil wants to intensify its economic and political relations with all South American nations.

In a news conference with foreign correspondents, the Brazilian foreign minister said his country is for the "activation" of relations with the remaining countries of South America. He added that the Common Market of the South (Mercosur)—which is comprised of Brazil, Argentina, Paraguay, and Uruguay—is very important for Brazilian foreign policy.

Cardoso said the increase in the Argentine import surtax on Brazilian products is a "legitimate defense" mechanism, and it does not represent a violation of Mercosur, because it does not affect the preferential trade system.

The foreign minister stated, however, that the "invasion" of Brazilian products, which are not subsidized by

the state, is not caused by the devaluation of the national money but by the exchange system of the Argentine economic plan.

Cardoso added that the current imbalance in Argentine trade, which this year amounts to \$1.2 billion, is due to the current situation, and that in 1990 and 1991 the deficit affected Brazil.

Concerning the proposed rapprochement between Mercosur and the North American Free Trade Association [NAFTA], which is made up of the United States, Canada, and Mexico, he said the course NAFTA might take is still pending with the assumption of power of U.S. President-elect Bill Clinton. He believes the Clinton government "will not be able to escape from the hemispherical issue and from placing more emphasis on Latin American issues."

The leader of the Brazilian Social Democratic Party (PSDB), Cardoso said the Brazilian Government looks with "displeasure" on the so-called "Torricelli law" promulgated recently by the United States to expand the trade embargo on Cuba. He said that this U.S. law is "an extrapolation of the rules of international law," although he added that it is independent from the Brazilian opinion that the Cuban Government must promote a democratic opening.

Cardoso will leave next week for Brussels to participate in negotiations on the current Uruguay Round of GATT talks, which have broken down due to disagreements between the European Community (EC) and the United States. "Brazil is not interested in a trade war, which is bad for all parties. We favor an understanding," he said.

Large Fine Imposed on Japanese Fishing Boat

PY1711172392 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 17 Nov 92

[Text] The Brazilian Institute for the Environment and Renewable Natural Resources—IBAMA—has imposed a record fine of 1.6 billion cruzeiros on the Japanese ship that was fishing in Brazilian waters.

The Japanese fishermen are reviewing the loss of three months of fishing. IBAMA officials have removed from the Japanese ship Shinjo Maru all the fish that the Japanese had caught from Brazilian waters off the Rio Grande do Norte coast. The catch totals 75 metric tons of tuna and mackerel, all of which will be auctioned.

The ship has been held at the Natal naval base since 14 November. It will be able to sail for Japan only tomorrow, after IBAMA officials have established the total fine.

IBAMA wants to collect 1.6 billion cruzeiros plus a fine for the environmental crime of removing the fins from dozens of sharks.

The Brazilian Navy is watching for other foreign ships that might be fishing in Brazilian waters. Admiral Roberto Coimbra, commander of the 3rd Naval Zone of Natal said:

[Begin recording] We have information from fishing enterprises that other fishing boats might be operating in our territorial waters. This is why we are permanently patrolling to detect them. [end recording]

Government Studying Free Trade Accord With Mexico

PY1611133592 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 16 Nov 92

[Text] Brazilian Ambassador to Mexico Carlos Santos Neves has reported that the Brazilian and Mexican Governments are studying a proposal for signing a free trade agreement.

The ambassador said trade relations are favorable for Brazil, whose exports to Mexico amounted to \$800 million, compared with Brazilian purchases of Mexican products that amounted to \$200 million [no period of time specified].

Chile

Senate President Rejects Army Mobilization Rumors

PY1811020592 Santiago Radio Cooperativa Network in Spanish 2200 GMT 17 Nov 92

[Text] Senate President Gabriel Valdes this afternoon asked the public to remain calm and reject rumors. He guaranteed that all institutions were functioning normally.

The Senate president was thus referring to a wave of rumors involving the Army, not only in the political espionage case but also in alleged internal mobilizations. Valdes considered the communique on the subject released by the Army satisfactory.

[Begin Valdes recording] I ask for calmness and the rejection of rumors. I am absolutely sure all institutions are functioning with absolute normalcy. [end recording]

Valdes reiterated to the media that the political espionage problem must be evaluated within its true dimensions, and must not be transferred to other areas.

[Begin Valdes recording] I do not think the facts should be extrapolated into other areas. I think the situation here has been sufficiently spoken about, commented on, and censured by many political leaders and civilians. It should not be taken out of context. It is a political problem affecting a certain sector and party. It cannot be denied that this case has consequences which the public must know. I do not deny this, but it must be considered within its real dimensions. [end recording]

The Senate president has this morning been in permanent contact with Vice President Enrique Krauss, Defense Minister Patricio Rojas, and other high-ranking government officials, including Army officers, something which he did not want to confirm or deny. I cannot tell you what my sources of information are, but they allow me to remain calm, he said.

Political Consultation Mechanism Set Up With Russia

PY1811020392 Santiago Radio Cooperativa Network in Spanish 2299 GMT 17 Nov 92

[Text] The governments of Chile and the Russian Federation have established a mechanism for permanent political consultations, with the purpose of increasing bilateral trade. This agreement was signed by the deputy foreign ministers of the two countries, Edmundo Vargas and Georgiy Mamedov. After the signing ceremony Vargas underlined the perspectives of this agreement.

[Begin Vargas recording] We held important conversations about the many things Russia and Chile might carry out together in the future. I mean the political field—in which, as I said, we have many things in common—the economic and trade fields, in which conditions are being created to increase trade and investment, and the cultural field. Of course there is much to be done ahead. I believe that, as we said this morning, this agreement will be followed in the future by other important political, economic, and cultural agreements. We will thus increase our good relations and the friendship which fortunately unites our two governments and peoples. [end recording]

The two governments, Vargas said, want to increase and develop a dialogue about international matters of mutual interest.

The scope of the mechanism for consultations was commented on by Russian Deputy Minister Mamedov.

[Begin Mamedov recording in Russian with subsequent translation into Spanish] We understand that many agreements will be necessary to carry out all the things which we easily agreed upon yesterday and today. From my point of view the protocol we just signed is a first but very important step. After the long interruption of relations between our two countries, we have accumulated many subjects about which we must consult. [end recording]

Mamedov said the post-war era was in the past and would not return. Everything has changed: Chile, Russia, and the United States. Within this framework, he said, Chile and Russia are beginning a new course in which cooperation is very important.

Plutonium Cargo Prompts Injunction Against Minister

PY1711164092 Santiago Radio Chilena Network in Spanish 1000 GMT 17 Nov 92

[Text] The Flora and Fauna Defense Committee [Comite de Defensa de la Flora y la Fauna—Codef] has filed an injunction against Foreign Minister Silva Cimma before the Punta Arenas Appellate Court. Codef President Pedro Fernandez said the decision was based on the attitude shown by the government regarding permission for a Japanese ship carrying plutonium to sail around Cape Horn. Fernandez also explained why the injunction was filed against the foreign minister. He said:

[Begin recording] Because the entire plutonium problem is concentrated in the minister's hands. As it is a problem of the international relations area, it is up to the Foreign Ministry to decide whether the ship can sail within the exclusive economic zone or beyond said zone. [end recording]

The Codef president explained that the Antarctic ecosystem is very fragile and that, therefore, it is risky for the Akatzuki Maru to cross the region. He added that Japan is acting irrationally by choosing the longest and most dangerous route instead of going via the Panama or Suez Canal.

Regarding the Chilean Government's failure to bluntly forbid the ship to sail these waters, Fernandez said the international laws entitle a country to such a decision. The Foreign Ministry has pointed out, however, that there are no laws that authorize a country to forbid or permit maritime traffic in certain maritime zones, adding that Chile respects the law.

Presidential Hopeful Lagos' Program Viewed

PY1711215592 Santiago ANALISIS in Spanish 9 Nov 92 pp 22-23

[Text] If you have still not heard anything about the presidential candidates' government programs, here are the fundamental points of Ricardo Lagos' program. Lagos is candidate of the Socialist Party-Parties for Democracy [PS-PPD] group, and his program has been drafted by the so-called coordinating team for the political-administrative area of the program commission.

In the 13-page document (superstitions aside), the six "idea-forces [ideas-fuerza] for a program of a political-institutional scope and for public administration" are detailed.

The first of these ideas refers to the political institutions. It states that to consolidate and strengthen democracy, it is necessary to: replace the electoral system for another one which is proportionally and fully representative; modify the National Security Council to improve the make-up of the constitutional tribunal and better define its attributions; end the inability to replace Armed Forces commanders in chief; and include modifications

leading to semi-presidentialism. Special emphasis is given to reconstruction of the "ethics of democracy," seeking to ensure the openness of political activities in allowing the financing of political parties with state funds, on egalitarian terms and under a public auditing system. The program will also support initiatives to punish those involved in illegal enrichment, influence peddling, use of communications media to discredit without evidence, and abusive exploitation of people's private lives, and will support a law related to administrative honesty.

The second idea-force is related to public administration policy. This policy regulates socioeconomic activities to protect the common good, preventing abuses created by the concentration of power and actively protecting the environment.

The third point of the program refers to decentralization, regional government, and municipalities. This program proposes the creation of an administration to fulfill a dynamic role in regional productive development. The municipalities are conceived as technically strong, with wide attributions and adequate economic resources, and they are open to the community and to the multiple forms of people's organizations existing in Chile.

The fourth point refers to justice and human rights. They are defined as part of modernization, and social progress as a necessary complement of economic growth as well as an essential part of democratic culture. Another factor of modernization in human rights refers to the democratization of the judicial power, which requires the creation of a National Council for Justice in addition to effective changes in the structure of judicial power, especially with relation to the Supreme Court. Judicial careers must conclude in the appellate courts, so as to have only highly qualified judges and well-known jurists and professors in the Supreme Court. This point also refers to measures "to continue the changes in the procedures of the military courts and their jurisdictions."

The fifth "idea-force" refers to people's security. This is aimed at emphasizing social measures of a preventive nature, in addition to an overall policy for training the community and businessmen, to reduce the risks of being victims of crime. Penitentiary reform for the real rehabilitation of criminals is also considered essential.

The last point of this program refers to national defense. The basic issue here is the need for an effective defense program capable of deterring potential aggressors, but which at the same time would not represent a threat to our neighbors or stimulate an arms race.

Bomb Explodes at Santiago Court

PY1711144092 Santiago Radio Chilena Network in Spanish 1000 GMT 17 Nov 92

[Report by Juan Manuel Ramirez from a mobile unit]

[Text] A bomb exploded at 2308 [0208 GMT] last night in a court of justice at 1409 Huerfanos Street. The explosion shattered the windows.

Eyewitnesses stated that a young man wearing sports clothes left a wrapped box, which exploded a few minutes later. Pamphlets of the self-styled Movement of Socialist Recovery [Movimiento de Recuperacion Socialista] were later found at the site. No one was injured during the attack.

Colombia

Government Adopts Special Measures for Medellin

PA1711172992 Santa Fe de Bogota Inravisión Television Cadena 1 in Spanish 1636 GMT 17 Nov 92

[Report by Guillermo Gonzalez]

[Text] Only moments ago, the national government announced severe security measures to curb the wave of violence in Medellin. Fighting strength will be increased, mobile checkpoints will be established to control the movement of weapons, and modern communications equipment will be provided to the Army and Police in the metropolitan area of Medellin.

After a special Security Council meeting at Narino Palace on 17 November, Government Minister Humberto de la Calle announced these special security measures will come into force on 17 November in Medellin and the surrounding area:

[Begin De la Calle recording] There are a number of specific measures pertaining to protection of the police, increased operations with greater police presence, and, in certain cases, police operations will be reinforced by military forces because of the special conditions in Antioquia Department, and especially the metropolitan area of Medellin. [end recording]

The mayor of Medellin and the governor of Antioquia Department said they hope these measures will yield positive results in the near future. The government also announced a modern plan to reintegrate delinquent minors in Medellin, the metropolitan area, and Antioquia Department.

M-19 Leader Calls For International Mediation

LD1711214392 Madrid TVE Internacional Television in Spanish 2000 GMT 17 Nov 92

[Excerpts] [Announcer] According to the leader of the M-19, Antonio Navarro Wolff, the state of siege decreed in Colombia last week opens the way for the extreme right wing to recover political ground and once again bathe the country in blood. Navarro Wolff made these statements in Madrid, where he briefed Foreign Minister Javier Solana on the situation in the country.

[Begin recording] [Reporter F. Garcia Navarrete] [passage omitted] The leader of the M-19 criticized the government for its belligerent language, saying that it only benefits the extreme right wing, and for not attempting a policy for the pacification of the country.

[Wolff, speaking to journalists] We have proposed and upheld the idea of international mediation to seek ways of resolving the internal conflict in Colombia.

[Navarrete] Antonio Navarro said that the war cannot be won by either side, and he announced the possibility of his movement leaving the government because of its disagreement with the policy of widening the war, for which Cesar Gaviria has opted in the past few weeks. [end recording]

Commission Concludes Investigation on Escobar Escape

PA1711222192 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 1630 GMT 17 Nov 92

[Report by Adriana Ayala]

[Text] The report on the Envigado prison incident has yielded nothing. After more than two months of debates, the only important action was to accuse former Justice Minister Fernando Carrillo, who had nothing to do with the operation that led to Pablo Escobar's escape, of impropriety. [acusacion de indignidad].

The ministers of defense and justice were exonerated from any responsibility. That decision divided members of the legislative commission. Senators who had requested harsh judgments against Ministers Rafael Pardo and Andres Gonzalez changed their stand at the last minute and exonerated them. Senator Fernando Botero expressed his disagreement with the report because he rejects the exonerations:

[Begin Botero recording] I have concluded that Pablo Escobar did not escape from jail and that we dreamt what happened on 21 July. It makes no sense to issue a document at the last minute exonerating active ministers from any responsibility in this development after an intensive three-month investigation. I do not think this is realistic. I am a consistent man. I have said from the start that the government and the defense and justice ministers are largely responsible. [end recording]

The commission decided to accuse former Minister Fernando Carrillo of impropriety due to the irregular contracts he made with private companies. The report also places responsibility on top military leaders who participated in the operation that led to Pablo Escobar's escape and on several Justice Ministry officials, including former Prisons Director Hernando Navas Rubio. There was neither a motion to censure nor call a criminal investigation for either minister. The scandal surrounding television transmissions was greater than the actual final conclusion.

Banks Announce Drive To Detect Guerrilla Accounts

PA1711202792 Bogota Inravisión Television Cadena 1
in Spanish 0030 GMT 15 Nov 92

[Text] Just as they did with drug traffickers, the country's banks have announced an intense campaign to detect and report the large sums of money guerrillas handle through the financial sector. Banks support the measures taken by the government on 14 November that include freezing accounts allegedly managed by subversives.

On 14 November, the country's banks, together with judicial authorities, lifted the bank secrecy regulation. In other words, account holders will have to explain where and how they obtained the funds in their account, particularly if the sum in question is over 7 million pesos.

This is a preventive measure to discover where and how the guerrillas manage their large resources through the Colombian financial system.

The banks decided to take parallel actions to these government measures and verify the identity and background of each of its savings account holders, particularly in branches located in remote areas where there is presumably a larger guerrilla influence.

The backgrounds of all bank employees, including accountants, tellers, and managers in these same regions, will be verified. Internal audits will be conducted to determine which accounts show unusual increases and to verify the reasons for such high figures.

[Begin Javier Hernandez, president of the National Association of Financial Institutions, recording] The financial system is so safe that everyone uses it, even the criminals. There are basic rules: bankers must know their clients, unknown accounts must not be accepted, the basic information given to open an account must be verified, and enterprises claiming to engage in a certain activity must truly perform that activity. [end recording]

The bankers also announced that in the next few days they will release the initial results of the accounts that were frozen or closed for alleged money laundering with funds from drug trafficking.

Government Augments Counterterrorist Measures

PA1711014592 Santa Fe de Bogota Inravisión
Television Cadena 1 in Spanish 1700 GMT 14 Nov 92

[Statement by Fernando Brito, head of the Department of Administrative Security, on 14 November; place not given—live or recorded]

[Text] At this time, the terrorists are planning to establish a new roadblock in the north-east. The government, however, has taken the appropriate measures. It has increased protection of public transportation vehicles, and arranged for the continuous presence of military, police, and security units at

bus terminals, and so forth. I believe we have again managed to neutralize a plan that the guerrillas sought to implement through force, violence, and terror on several occasions in the past few days.

Gaviria Delivers Agrarian Reform Speech

*PA1411043892 Santa Fe de Bogota Emisoras Caracol
Network in Spanish 1632 GMT 13 Nov 92*

[Speech by President Cesar Gaviria in Popayan, Cauca Department—live; broadcast in progress]

[Text] ...the agriculture sector also seeks development in harmony with the preservation of the environment. Our tropical Andean forests, our rivers and plains, and our animal and plants constitute a gift of nature, which must be preserved for the well-being of Colombians of today and tomorrow. The well-being of peasants and Indians should also be in keeping with the well-being of the countryside. The new policies for the rural sector, however, cover a much broader area. Our policies are not only concentrated on agriculture production, but take social matters such as the participation of women in rural activities into account.

Another fundamental part of this policy is the expansion of the coverage of basic social services in peasant and Indian areas, bearing in mind there are different types of economies in the countryside. The efforts of government institutions, such as the national rehabilitation plan and other programs for providing health and education services, are important. The development of these programs will radically change the traditional role played by national institutions in municipal planning.

In the past, decisions were made in the capital of the republic or in department capitals, but now the participation and autonomy of municipalities in the identification of their own needs will be the norm. Consequently, Indians and peasants will determine the actions that need to be taken by state institutions in their region. Rural peasant and Indian development will become a beachhead for the decentralization process to which the country is committed. We will, thereby, be observing the constitutional principle that says the government will only take action when the community itself is incapable of resolving its own problems. We will move away from paternalism to a new system in which peasants promote their own change.

As for agrarian reforms, we have good news, the Incora [Colombian Institute of Agrarian Reform] purchased more lands between 1990 and 1991 than in any year of the two previous decades. In this four-year period, we will be purchasing more than 500,000 hectares. We will distribute 400,000 hectares and 2 million hectares will be available in the entire national territory to benefit thousands of Indian families. In the past two years, we have distributed 1.6 million hectares, which is equivalent to nine times the size of Quindio Department. Today, I am presenting 15 plots of land, equivalent to 1,548 hectares

worth 311 million pesos to 178 Indian families living in (Purate), Santander, and (Silvia).

I am also going to distribute 11 plots of land, equivalent to 1,532 hectares, that will benefit 132 peasant families in Sotara, Buenos Aires, (Tiendamo), Morales, and El Tambo Municipalities, all worth 445 million pesos.

To consolidate the peace efforts, 37 families of former fighters will receive three farms totalling 390 hectares, which they had already been farming thanks to agreements with the former owners. All in all, the national government, through the Incora, is handing over 29 plots of land, more than 3,000 hectares located in eight municipalities of Cauca Department, worth 856 million pesos. As for Cauca Department, ever since the reform process began, we have purchased 78,000 hectares that have benefited 5,300 peasant and Indian families. In addition, we have legalized the ownership of 145,000 hectares for 21 families.

The government is aware of the need to train directly producers so that they can forge their own future. The government has drafted several programs for Cauca Department, which include the construction of shops for the servicing of machinery, the promotion of agriculture, and the implementation of irrigation programs. These programs benefit the various communities located in 12 municipalities of the department.

The budget allocated for these investments amounts to nearly 500 million pesos, which will benefit more than 2,600 Indian and peasant families, 250 students from agriculture institutes, and 440 peasant women.

*** Prospects for European Trade Relations Viewed**

*93SM0040A Santa Fe de Bogota EL ESPECTADOR in
Spanish 18 Oct 92 pp 1-2B*

[Article by Hector Hernandez M.: "Europe! Europe!"]

[Text] Following enormous growth during the decade of the 1980's, Colombia's overall trade with Europe declined last year, despite the benefits bestowed by the General Preference System (SGP) and the Special Cooperation Program (PEC).

Now that these concessions have been fully implemented, the government wants to expand exports to the European Community (EC) at a time when an attempt is being made to eliminate some of these concessions.

Whence Colombia's fears, or at least this is what emerges from a Ministry of Foreign Trade [Mincomex] publication that analyzes our country's economic relations with the EC and the latter's trade with other nations in the world.

Time has become a major enemy for merchants whose exports to the European Community include products sheltered by the PEC, which will remain in effect only four years, starting 13 November 1990.

For that very reason, exporters have informed Mincomex that for the purpose of planning production, simply knowing that the PEC would be extended would be a great relief.

The PEC means the entry into Europe, tax free and with no quantitative limitations, of whole categories of exports from Latin American countries fighting the problem of drug trafficking: Peru, Ecuador, Bolivia, and Colombia. The treatment is similar to that extended by Europe to the Least Developed Countries belonging to the SGP.

The SGP is unilateral action not subject to the reciprocity which developed countries extend to less developed countries.

Every developed nation has a list of countries to which it extends the benefits of its system and each scheme has its specific regulations. Concessions involve either total or partial reductions in customs duties and they have been in effect since the 1970's.

The drawback to such forms of assistance is that they clash with others extended by Europe, for example, agreements between the EC and the AELC including Austria, Finland, Iceland, Norway, Sweden, and Switzerland.

The EC and AELC have set up a free trade zone.

By the middle of this decade, all AELC countries could join the EC. If this happens, the intra-Community component of EC trade would increase even more, rising from the current 60 percent to 70. It would mean an increase in Community production, particularly farm production.

"This situation would have a negative effect on preferences that Colombia enjoys in this sector and a possible diversion of agricultural trade from the region."

The other pact is the Lome Convention governing European cooperation, which is based on the need to maintain close, continuing relations with former colonies with which it had continued important benefits and commercial ties stemming from a kind of historic responsibility to lend aid.

The convention is renewable every five years. At the last meeting, it was decided to extend that period to ten.

Beneficiaries are members of the ACP (former colonies of Africa, the Caribbean, and the Pacific).

Today, the EC represents the leading market for ACP countries, which export raw materials, coffee, cacao, mandioca, bananas, tea, peanuts, palm oil, tobacco, cotton, rubber, uranium, sisal, oil, tin, phosphates, cobalt, copper, aluminum, iron, zinc, lead, and tungsten.

Since 90 percent of all ACP products have exemptions, the nations included become the main competition for Colombia and Latin American countries.

In addition, the rules of origin have been improved. In the case of fishing, they were allowed to increase their catch using boats from any ACP country or, based on the signing of a fishing agreement with the EC, regardless of the flag.

In view of such a privilege, Colombia is at a disadvantage because it recently learned of the EC's intention to put an end to the preference for national tuna based on the argument that fishing extends beyond the 12-mile limit using boats not flying the national flag, even though the canning is done in our country.

Communication with Belgian, Danish and Italian customs has therefore been reduced and several certificates of origin issued in 1991 and 1992 are being returned to INCOMEX.

In this connection, Mincomex proposes that the EC Commission's regulation contains the possibility of providing exceptions to regulation standards in favor of less developed countries when the development of industries or the implementation of a few justifies it.

Colombia would then have legal grounds for requesting an exception to the regulation on origins with respect to the term "its boats," basing its petition on the recent development of the fishing industry.

In addition, Colombian legislation has determined that, starting in 1984, fishing companies should start to convert their fleet to the national flag, with a period of 15 years to do so.

For Mincomex, it is of key importance that the EC has approved and applied the Special Cooperation Program within a short time.

The PEC protects coffee, flowers, textiles and ready-to-wear, shellfish and mollusks, manufactured goods made of leather, tobacco, fruit, prepared fruits, maracuya juice, various prepared foods, emeralds, and canned palm hearts.

The products still without protection are bananas, coal, and ferronickel, but the last two have received favored tariff treatment under the SGP.

Bananas are one of the few products receiving no benefits. They enter the EC by paying a 20-percent tax and forced to compete with the Lome countries. Nevertheless, 45 percent of all world sales go to the EC.

The PEC meant the disappearance of a 4-percent tariff previously levied on Colombian coffee, a savings used to create a fund for the protection and restoration of the environment.

However, that fund is now unstable since the benefit has been extended to Central America, which transferred the tariff reduction to the importer.

The PEC benefit for flowers, fruits, prepared fruits, textiles, and ready-to-wear is hurt by inadequate transport. "The solution would be to set up a real open-skies policy," says Mincomex.

The only problem with fish involves tuna.

In terms of price, tobacco exports have obtained practically no benefits. European importers have transferred none of the savings obtained from the elimination of tariffs.

In addition to transportation, one problem involving flowers is a request from Greece to exclude them from the PEC based on the fact that they have enjoyed healthy growth within a very short time on the Greek market when the purpose of the program is to promote our exports to the EC.

One limitation on exports of manufactured goods to Europe would be the ability of products to compete in terms of quality and value.

One solution would be to include the concepts of "Andean accumulation" and the "accumulation of the grantor country," Mincomex says, in order to promote the use of raw materials from the subregion or EC without changing their origin.

In the case of tuna, this would permit fishing in boats flying the flag of any Andean or EC country.

The so-called "accumulation of grantor country" would open up vast opportunities because producer companies in EC countries would participate in the program and thus be equally interested in the expansion of its application," which is precisely what national businessmen are clamoring for, Mincomex says.

Colombia's Commercial Trade With EEC 1992 (in thousands of dollars)*

Country	Total Trade	Exports FOB	Imports CIF	Trade Balance
Germany	917,719	498,512	419,207	79,305
Belgium, Luxembourg	307,219	249,499	57,720	191,779
Denmark	149,315	110,707	38,608	72,099
Spain	365,324	230,193	135,131	95,062
France	368,422	160,135	208,287	-48,152
Greece	1,575	1,124	451	673
Holland	344,892	281,899	62,993	218,906
Ireland	32,076	17,039	15,037	2,002
Italy	270,309	131,536	138,773	-7,237
Portugal	15,632	14,204	1,428	12,776
United Kingdom	447,095	189,719	257,376	-67,657
Total EC	3,219,578	1,884,567	1,335,011	549,556

* Data projected based on 1991 vs 1990 growth rate.

Growth has probably been affected by the drop in coffee prices. Other products exhibit growth stemming from the EEC Special Cooperation Program.

Source: Ministry of Foreign Trade Projections

Paraguay

Poll on Preferences for Presidential Elections

PY1811001392

[Editorial Report] Asuncion ULTIMA HORA in Spanish on 16 November carries on pages 2 and 3 a 600-word unattributed report on a poll made on preferences in the upcoming presidential elections, which are scheduled to be held in May 1993. According to the poll presidential hopeful Luis Maria Argana of the Colorado Party is leading with 20.86 percent, followed by Juan Carlos Wasmosy, also of the Colorado Party, with 18.8 percent. Next are candidate Domingo Laino of the Radical Authentic Liberal Party, with 18.34 percent, followed by independent candidate Guillermo Caballero Vargas of the National Encounter movement with 17.74

percent, Gustavo Diaz de Vivar of the Colorado Party with 5.51 percent, and independent candidate Ricardo Canese with 0.17 percent.

The poll also shows that Caballero Vargas and Wasmosy have the greatest support among those aged 18-27. Argana has the greatest support among people in their forties.

Army Commander Urges Return of Political Ethics

PY1711145092 Asuncion ABC COLOR in Spanish 17 Nov 92 p 11

[Text] "It is time to calm passions, restore mutual respect in civic relations, and restore ethics in the exercise of politics." This statement was made yesterday

by Division General Marino Gonzalez, commander of the 2nd Army Corps, in a speech he delivered to mark the Day of the Paraguayan Infantry. The ceremony was attended by President Andres Rodriguez, top military commanders, and military attaches to the embassies of friendly countries.

Marino emphasized that it is time "to vindicate genuine patriotism at the service of the people, and to use our energies for constructive purposes, promoting development and progress for the nation."

He reaffirmed the Armed Forces' commitment to democracy.

Gonzalez said: "I believe this is the right time to reiterate the Armed Forces' solemn commitment to support, with unyielding determination, the process of transition toward democracy. This process began early in the morning of 3 February 1989, when the sacrifice of Paraguayan soldiers ended a dictatorial regime and guaranteed full respect for the liberties that had been curtailed for so long. This commitment prompts me to extend my full support to our commander in chief. We are by his side, determined to safeguard the democratic institutions of our fatherland which were restored by General Andres Rodriguez and those who supported his unyielding determination to end the dictatorship. They risked their lives and the lives of their families to restore our legitimate right to a better future."

He added: "An effort of such magnitude calls for the support of all Paraguayans, without any exceptions. This is the time for national reconciliation and for a generous and fraternal embrace, forgetting transgressions and misunderstandings so that, through a patriotic effort, we can consolidate democracy and help to build our nation's greatness."

Gonzalez then noted that "there is no room for sectarianism, hatred, or rancor in this process, which seeks to preserve the liberties that were achieved, because such attitudes are undermining and destructive, and because they weaken society. Society's unity and strength are essential factors for building sound foundations for a modern, democratic Paraguay."

"Let the fatherland come first, and let us pay tribute to the fatherland by strengthening unity, fraternity, and reconciliation among all inhabitants of this glorious Guarani nation," Gen. Gonzalez emphasized.

During the ceremony, decorations were awarded to Generals Mario Rodolfo Escobar Anzoategui, Galo Longino Escobar, Favio Evelio Benitez Santacruz, Iran Antonio Centurion, and Daniel Guzman Idoyaga. Escobar Anzoategui, on behalf of the generals, expressed thanks for the Infantry Medal with which they were awarded.

Toxic Waste Reportedly Buried in Chaco Region *PY1411165092 Asuncion ULTIMA HORA in Spanish* 13 Nov 92 p 9

[Text] Tons of radioactive waste were reportedly buried in the Paraguayan Chaco region, specifically in the General Diaz and [Teniente] Ochoa areas, with the alleged consent of high-ranking military and civilian authorities in our country, thus violating laws that specifically ban the reception of toxic waste and endangering the ecosystem in that area.

Reliable sources who requested anonymity reported this incident to congressmen and various media sources. According to the report, the toxic shipment arrived in containers aboard airplanes that landed at the Mariscal Estigarribia Air Force airport; part of the shipment was subsequently transported to an area under the jurisdiction of [Teniente] Ochoa's 4th Military Battalion, currently commanded by Colonel Andres Baez, near Km 600 [of the Trans-Chaco Highway].

Another part of the shipment was transported to General Diaz and buried on property owned by Yegros Viveros, near the Montelindo River, a tributary of the Paraguay River.

According to the report, following a flood of the Montelindo River, the already-corroded drums allegedly containing the toxic elements reportedly broke, carrying waste remains into the river channel.

Radioactive Control To Be Implemented

Following the aforementioned report, a group of experts and congressmen will go to the site to confirm the existence or nonexistence of the dangerous radioactive element [not further specified].

In 1990, our newspaper reported the possibility of importing toxic waste from Germany to use it as fuel at the National Cement Industry's [Portland] cement plant in Vallemi. In a note sent to the Paraguayan Consulate in Dusseldorf, Germany, where the shipment of this waste to our country was negotiated, then Industry and Commerce Minister Antonio Zuccolillo allegedly authorized the entry of this waste.

Later, after many weeks of discussions, Congress sanctioned a law specifically banning the entry of nuclear waste into our country. This law remains in effect.

De Vargas Denies Report

Deputy Francisco Jose De Vargas this morning refused to supply more information to our newspaper on this report. Nevertheless, he will head a delegation scheduled to leave for [Teniente] Ochoa tonight.

On his part, Judge Angel Barchini ordered a pre-trial inquest into the incident.

Radioactive Elements Cause Concern

PY1611202192 Asuncion NOTICIAS in Spanish 16 Nov 92 pp 6, 7

[Excerpts] While toxic waste containers are being found in the Chaco, in Asuncion there are 107 radioactive sources [fuentes radioactivas] (cesium), some of which are believed to have disappeared from the Hospital for the Treatment of Cancer and Burns in the town of Aregua despite denials by Dr. Andrada, the director of the hospital. Dr. Andrada said the radioactive sources are being kept in a bunker [preceding word in English] at the hospital. The Atomic Energy Commission, which is headquartered in Vienna, is concerned about this and has sent four experts to investigate. The 107 radioactive sources are used in the treatment of cancer of the uterus. [passage omitted]

The cesium needles [agujas] were purchased in 1980 from the English company Amershan. They were originally stored at the Cancer Institute and some were lost while being transported to Aregua.

So far the needles have not been used.

If this situation is confirmed, it might pose a serious radioactive danger. This was one of the major concerns of the four experts who were sent by the Atomic Energy Commission of Vienna to our country in August 1991.

The experts tried to investigate the route followed by the cesium needles. They clashed, however, with the secrecy of the members of the Atomic Energy Commission at that time.

The experts also tried to contact executive branch members, but again met with obstacles that prevented them from talking about the subject with valid government interlocutors.

The experts were sent to study the cases of Paraguay, Chernobyl, El Salvador, and Goiania. They sent their report to our Foreign Ministry in February 1992. In it they express concern about the situation in Paraguay in the area of radioactivity. [passage omitted]

Newspaper Reports Reactions

PY1711185792

[Editorial Report] Asuncion ABC COLOR in Spanish on 17 November carries a series of articles on the discovery of buried empty drums in the Chaco.

An 800 word article on pages 2 and 3 reports on a press conference hosted by Health Minister Cynthia Prieto Conti. The article says the Health Ministry assumes responsibility for the "destruction and burial of empty drums" that had contained "liquid insecticide" and that were buried "in 1990" after being cleaned with "caustic soda and sodium hypochloride." The article quotes Minister Prieto as saying that "we assume responsibility for the 75 drums that were buried after taking all precautionary measures. We sought an area from the

military authorities and the operation entailed no health risk." The article then quotes the minister as adding: "We want to inform the public they can rest assured because there is no risk. The report that it is toxic or radioactive waste should be dismissed."

The same article reports that SENEPA, the National Malaria Eradication Service, has issued a communique in which it states that "in August 1990, this technical organ of the Health Ministry ordered the destruction and controlled burial of 75 empty drums that had contained Malathion, a liquid phosphorous-based insecticide."

Page 4 carries a 500-word article that reports that the committee in charge of investigating illegal activities "has created a special commission to study and analyze the chemical waste found in the buried drums." The article quotes Deputy Maria Jose Rolon as saying that "it is necessary to confirm the information supplied by government officials on the observance" of international regulations on the subject.

On the same page, a 350 word report quotes Attorney General Luis Escobar Faella as saying that "we will perform a serious, in-depth investigation" and that "systematic" work will establish who is responsible for the buried drums.

A 600 word article on page 5 quotes a veterinarian as reporting the "death of cattle in Concepcion, San Pedro, and Amambay departments," and as saying that this could have been caused by "toxic waste brought into the country."

The article quotes Gabriel Sardi, a professor of the School of Veterinary Sciences, as saying that "an alarming number of cattle are dying" from "signs of intoxication," and that "something strange has been happening for some time that we could not understand. We christened it the 'Aquadaban disease.' We many times wondered buried or burned toxic waste might be the cause."

Finally, a 700 word article on page 6 says that "General Jose Miguel Gimenez Caceres, the chief of the Engineering Command, yesterday refused to answer questions on the drums (that might contain toxic substances) found near Teniente Ochoa Fort." Gimenez Caceres "claimed that he could not talk with the press unless specifically authorized by General Andres Rodriguez." The article adds that Colonel Andres Baez, the Teniente Ochoa Fort commander, "did not show up during the investigation to determine if the waste found in the drums was toxic." The article concludes by saying that this attitude on the part of Col Baez was "surprising."

Peru

Shining Path Calls for 21-22 Nov Election Strike*PA1711213092 Madrid EFE in Spanish 1711 GMT 17 Nov 92*

[Text] Lima, 17 Nov (EFE)—The Shining Path issued a call for a strike on 17 November. The Maoist band added death threats to the call in a desperate attempt to defeat the 22 November constituent elections and to recover from the government's hard blows to the organization.

The "compulsive strike" was convoked for 21 and 22 November through a series of dynamite attacks accompanied by the distribution of pamphlets threatening those who refuse to join the strike with death.

In Lima, the rebels on 17 November attacked Rafael Belaunde School, in Rimac district, and the police station in that sector, which is in downtown Lima, and a gas station in San Juan de Lurigancho district, in the northeast.

In Ayacucho, in the south, the rebels on the evening of 16 November detonated 15 sticks of dynamite in various poor neighborhoods. They used loudspeakers to attack the elections and to appeal in favor of the strike.

The rebels also placed banners and fake bombs and tossed pamphlets in the Lima Mesa Redonda marketplace, 200 meters from the Electoral Registry Building, where thousands of persons go daily to obtain their electoral identification cards.

The Peruvian Government reported today that a special security operation has been set in motion nationwide to guarantee the elections. Oscar de la Puente, president of the Council of Ministers, today told foreign correspondents that the government is not discarding "insignificant actions" from terrorist groups, especially in least-protected places, early in the morning or at night. He noted that "the government can guarantee normalcy during the elections."

De la Puente flatly rejected the possibility of electoral "fraud" taking place as stated in documents found in the hands of the officers involved in the 13 November coup attempt.

During the OAS meeting in May in the Bahamas, Fujimori's government requested the presence of OAS observers to guarantee the clarity of the elections, said De la Puente.

We have problems, he added, due to the lack of the necessary technical and economic resources for the perfect organization of these elections. We are working on computerizing the National Election Board (JNE), which until now has worked mechanically or manually.

"Only the Japanese Government has helped us with technical resources by sending us computers. We have

not received any other help from any other country despite the fact that we requested it," said the Peruvian foreign minister.

The JNE, which is in charge of organizing the 22 November Democratic Constituent Congress [CCD] elections, has received complaints from some of the 208 OAS observers in the country due to technically precarious or irregular procedures.

The OAS representatives have asked the JNE to investigate the electoral activities of candidates to the CCD who are officials of central or regional administrations or of state-owned enterprises.

The technical deficiencies and irregularities also affect the number of voting tables that will be installed around the country—their exact number is still not known—and the electoral registry's control and delivery of electoral cards, which are needed be able to vote.

De la Puente on Election Security, Foiled Coup*PA1811144992 Lima Global de Television Network in Spanish 0100 GMT 18 Nov 92*

[Text] Prime Minister Oscar de la Puente has guaranteed the people complete security for the 22 November elections. He speaks on this and other topics:

[Begin recording] [De la Puente] Just as we have always done, we will ensure security, and even more so now.

[Unidentified reporter] [words indistinct]

[De la Puente] Just so you get some idea of the logistics, more than 100,000 policemen and Armed Forces troops will be used to transfer ballot boxes and control polling stations. Throughout Peru there will be greater security around important buildings, installations, and cities. In other words, citizens' security must be fully assured, the people should feel at ease, and must go to cast their vote to defend the authentic democracy that all of us want.

[Reporter] Will you be the next ambassador to Spain? Could you confirm this information?

[De la Puente] No, this is absolutely untrue. There has been much speculation about this. I continue to be loyal to my principles. The president called on me to do a job for my country and I will continue working for my country and not use the country for my own benefit. As soon as my mission ends, whenever the president considers it convenient, I will return to my professional activities because I do not expect to take up the post at the Peruvian Embassy—a post I would feel honored to serve in because I love Spain very much. I studied in Spain, but I have no pretension of being the next ambassador. The new ambassador will be an outstanding Peruvian diplomat who will take office in early January. Our foreign office will give him full support.

[Reporter] Could you give us his name?

[De la Puente] No, that is not public information.

[Reporter] Mr. Minister, in a few hours [Uruguayan] Foreign Minister [Hector] Gros Espiell and [OAS Secretary General Joao] Baena Soares are due to arrive. What expectations surround their visit?

[De la Puente] First to arrive will be Ambassador Baena Soares who is due on 18 November. I spoke to Foreign Minister Gros Espiell on 16 November and he was not sure if he was going to arrive on 20 or 21 November. Peru will therefore have two very important OAS personalities—the secretary general and the Ad Hoc Commission president. The Ad Hoc Commission oversees Peru's return to democracy. There will also be important delegations from all countries—the United States, Japan, Italy, Canada, who will honor us with their presence—to accredit before the world the openness of the electoral process.

The regrettable circumstances we lived through on 13 November resulted in very respectable statements because they were issued by the president. [sentence as heard] Investigations continue to determine the connection between the coup perpetrators or those who attempted to assassinate the president and those who are linked to this plot, which would have radically affected our fatherland's civilized life. There may be interests behind all this. Let us not be fooled: the Peruvian Government is actively fighting immorality, corruption, suspicious international deals—a tradition here—and some sectors must have been affected, hence the reaction. I propose that we allow those in charge of the investigation to conclude their work before stating any opinions. [end recording]

Fujimori on Support From Huaycan Community

PA1711202692 Lima Global de Television Network in Spanish 0100 GMT 17 Nov 92

[Text] A delegation of residents of Huaycan visited the Government Palace to express their support for the president. President Alberto Fujimori received a delegation of residents of the Huaycan community settlement, who reiterated their support and expressed their appreciation for the president.

[Begin recording] [Unidentified Huaycan settlement leader] This shows our support for the president. We reject the coup attempt, which was aimed at staining this democracy. The Huaycan community settlement submitted to the government a project of participation, pacification, and development. Within this framework, as Peru is now in the process of reconstruction, we Peruvians must support your administration in favor of the majority of the people. In this regard, the committee, another agency of the Central Justice Commission....[pauses] We have come here on our own initiative to deliver this letter to you, expressing our repudiation of the coup attempt in Peru. Democracy is only mechanism through which to solve Peru's problems.

[Fujimori] Thank you, very much. This is in reality the first spontaneous demonstration of support from a

friendly people, like many other peoples in Peru, who identify with the task we have undertaken. Summarizing, we have proposed three basic tasks: Total morality, national reconstruction, and pacification. You, my friends from Huaycan, particularly this self-defense committee, is contributing enormously to the pacification task. I view your presence here as a sign of your strong adherence to this government, a government that tries to implement the aspirations of the Peruvian people. I am very grateful to you all. Thank you much. [end recording]

Alleged Coupists Transferred to Council of Justice

PA1811035092 Lima Global de Television Network in Spanish 0059 GMT 18 Nov 92

[Text] The generals involved in the coup attempt were transferred under heavy security to the Supreme Council of Justice building this morning. The judicial action, however, was frustrated.

Generals Jose Pastor Vives and Luis Palomino Rodriguez were taken aboard a truck, designed to transport prisoners, donated by the Japanese Government. The transfer, carried out by the police special unit for judicial actions, was marked by the deployment of a large number of policemen, who banned people along Block 1 of Santa Beatriz. After staying in place for half an hour and confirming that no one there knew of the arrival of the accused men, the convoy departed. Gen. Palomino's defense attorney, Armando Lengua, who had to meet the arraignment official handling the case—Gen. Sergio Sevilla Diez—arrived 15 minutes later. Gen Sevilla admitted that he had not yet interrogated the former head of presidential building's military garrison.

[Begin recording] [Lengua] I have pointed out to the arraignment official that the Military Justice Code stipulates five days as the limit for keeping one person incommunicado. This is the fifth day. From the conversation, I see that Gen. Palomino has not yet made any statements, although he was detained on Friday and although the Military Code of Justice stipulates that the person must make a statement 24 hours before said person has been placed at the disposition of the judge. In addition, any authority failing to obey this instruction is guilty of serious irresponsibility.

[Mrs. Palomino] I trust that, with Dr. Lengua's assistance, we can get him to meet with my husband and clarify his status promptly so my husband can be released. [end recording]

Reportage on Terrorist Bomb Attacks on 17-18 Nov

Bomb Causes Damage Near U.S. Embassy

PA1711192092 Lima Radio Programas del Peru Network in Spanish 1823 GMT 17 Nov 92

[Text] Another attack has just taken place on Bolivia Avenue in Brena District. Mabel Valenzuela has this report. Go ahead, Mabel:

[Valenzuela] Good afternoon, an attack on the Maestranza apartment building, on block 11 of Bolivia Avenue near the U.S. Embassy, has resulted in a moderate amount of damage and two people injured. The injured were immediately rushed to the hospital.

Apparently four individuals got out of a white Toyota, painted some graffiti and hurled a low-powered explosive, which damaged two trucks with license plates VOO4786 and VQQ9866. The windows of these trucks were completely shattered.

The windows of nearby residences were also completely shattered and residents were very scared by the explosion. There is also a huge traffic jam on block 11 of Bolivia Avenue.

Police are clearing the area. Some U.S. Embassy officials are here, along with some workers of the Maestranza apartment building. Two persons, who sustained minor injuries, were taken to different hospital. They were injured by the shockwaves resulting from the blast.

Terrorists Bomb Banks, Brazilian Embassy

PA1711124192 Lima Panamericana Television Network in Spanish 1200 GMT 17 Nov 92

[Text] There were three attacks [atentados] in our capital a few minutes ago. One was on the Vise Bank in San Juan de Miraflores at the corner of Pachacuti and El Sol Avenues. The other attack was in San Isidro, where a car bomb exploded next to a Latino Bank branch on the first block of Central Avenue. A third attack was on the Brazilian Embassy, located at the intersection of Commander Espinar and Pardo Avenues in Miraflores.

There have been no reports of possible victims in these attacks but it has been said there is a lot of property damage.

Shining Path Attacks Municipal Offices

PA1711211392 Lima Global de Television Network in Spanish 0100 GMT 17 Nov 92

[Text] Three Shining Path terrorists launched a bomb attack against the San Juan de Miraflores Municipality office in the early morning hours of 16 November. There was damage but no casualties.

The terrorist offensive launched last weekend, which has intensified in the face of the upcoming elections, continued this morning in San Juan de Miraflores. Three individuals got out of a car, fired shots into the air in a threatening manner, and placed an explosive charge at the main door of the municipality offices on block 6 of Los Heroes Avenue. The incident took place at 0540 on 16 November when only three security agents were ending their morning duty.

[Begin San Juan de Miraflores mayor recording] This is the fourth and worst attack since 1990. We sustained two attacks in 1990, one in 1991, and this is the fourth attack

against these offices. Our other offices were destroyed at 2055 on the evening of 13 November. [end recording]

Telephone calls had been received giving prior warning of the attack and there were no casualties. The explosion did leave the columns and walls supporting the building in bad shape, making it impossible for workers to serve the public.

[Begin recording] [Unidentified reporter] What do you think about this attack?

[Unidentified woman] I do not know. I have nothing to say. This does not surprise us anymore. This is a despicable.... [pauses] It is an attack against the people because we are the ones who have to pay for this. They think this is an attack against the mayor, but that is not true.

[Mayor] We will continue working because material damage can be repaired but human lives cannot. I met this morning with my workers, who said that they will stand by me. As you see here, they are already working. [end recording]

Bomb Explodes in Lima Neighborhood

PA1811031192 Lima Global de Television Network in Spanish 0059 GMT 18 Nov 92

[Report by unidentified reporter from the Jesus Maria neighborhood in Lima; from the "Linea Directa" newscast]

[Text] On the evening of 17 November, alleged rebels detonated a bomb in the Jesus Maria neighborhood, causing much property damage.

Around 1940 [0040 GMT] on 17 November, rebels detonated a bomb on Block 5 of Arnaldo Marquez Avenue, Jesus Maria neighborhood, only two blocks from the Aeronautics Ministry [as heard] whose installations are on De la Peruanidad Avenue, on Marte Square.

A vehicle that was stationed in the area was seriously damaged.

Excuse me, sir, how powerful was the bomb?

[Unidentified bomb disposal expert] Approximately 2 kg of dynamite.

[Reporter] Common dynamite.

[Expert] Yes. Nothing else.

[Reporter] Has there been any other attacks elsewhere?

[Expert] It is possible. In several places. We are going to check on another attack right now. We are going there now.

[Reporter] The shock wave affected an area with a radius of approximately 100 meters. As you can see, the residents of a nearby building are removing the glass from most of the windows.

Bus Bombing Causes 'Extensive' Damage

PA1811031792 Lima Global de Television Network in Spanish 0059 GMT 18 Nov 92

[Text] Terrorists carried out a new attack on the evening of 17 November: They dynamited a bus full of passengers. The attack took place when the vehicle was traveling near the National University of Engineering. Several passengers were injured, and there is extensive property damage. Firemen are helping the victims right now.

The police have reported other less important attacks in various parts of the capital tonight.

Shining Path Detonates Car Bomb in Lima

PA1811041792 Paris AFP in Spanish 0350 GMT 18 Nov 92

[Text] Lima, 17 Nov (AFP)—At least two people were killed and five injured on the evening of 17 November as a result of a car-bomb attack in the Miraflores neighborhood of Lima, according to the police. The attack came on the eve of an "armed strike" the Shining Path movement intends to impose on 18 and 19 November.

The car bomb exploded in Miraflores, the country's foremost commercial area, causing considerable property damage and panic among the people.

At the same time, terrorist commandos set fire to at least two buses on the outskirts of Lima, and hurled homemade bombs at public and private properties, according to the police source.

TV Reports Shining Path, MRTA Attacks

PA1811021192 Lima Global de Television Network in Spanish 0059 GMT 18 Nov 92

[Text] Five policemen and two civilians were wounded by subversives who attacked the Playa Rimac garrison in Callao with explosives. Two nearby secondary schools were also damaged. Subversives planted approximately 50 kg of explosives, composed of dynamite and nitrate, a mixture known as anfo [ammonium nitrate fuel oil]. The shock wave heavily damaged the garrison. The timely warning given by several neighbors saved the lives of several policemen who were resting. Five of them were wounded, however.

Several explosions occurred throughout the capital on 17 November. Bank branches, one gas station, municipal offices, and the office of a political party were struck by subversives.

A municipal building was destroyed by the explosion of a powerful device thrown by Shining Path members.

Earlier the criminals had assaulted and threatened with death the workers of the building, forcing them to vacate the building. In this attack there were four subversives, with a woman in charge. After the explosion, which also damaged nearby houses, the subversives left the place walking calmly.

In addition, on Lima's Bolivia Avenue, alleged MRTA [Tupac Amaru Revolutionary Movement] members detonated an explosive charge in front of a shop where U.S. Embassy vehicles are repaired. Four of the vehicles were partially damaged. Fortunately, there were no casualties. The subversives left leaflets and said they were MRTA members.

The terrorist escalation continued. Several bombs were detonated at bank branches located in several places in Lima. The attack occurred in San Juan de Miraflores, Barranco, San Isidro, and Miraflores. The Shining Path attack also included a gas station located at La Tablada in Lurin, in front of which one car bomb was detonated. No casualties occurred, fortunately.

Further, for the fifth consecutive time, criminals detonated an explosive charge close to the Solidarity and Democracy [SODE] headquarters. The explosion, which caused considerable damage, as in the other explosions, occurred when SODE leader Manuel Moreira was meeting with his primary advisers. It has been reported that SODE leaders and members were threatened a few days ago with an attack of this kind.

Uruguay

Reportage on Demonstration of Police Officers

Demands Involve Salary, Union Rights

PY1711235892 Montevideo Radio El Espectador Network in Spanish 1500 GMT 17 Nov 92

[Excerpts] The number of demonstrating policemen in front of the Coraceros Guard garrison has considerably increased. It is thought there are nearly 2,000 men there, including policemen from the interior, from Canelones and Florida Departments. They are still awaiting concrete resolutions to their demands, which include not only salary demands but also the right to unionize, to be given housing, and (?not to change) the retirement system. Patrol car personnel and the civilian identification directorate have also joined the demonstration. More policemen are expected to arrive from the interior.

A spokesman for the demonstrating policemen this morning reported the following:

[Begin unidentified spokesman recording] The situation right now is that nearly all the policemen have joined our mobilization. Personnel from three departments have not yet reported whether they have joined us or not. We still need to know this; we have not been able to communicate with them. [passage omitted]

There are approximately 1,400 people here, including policemen, wives, and children. [passage omitted]

This is a mobilization. We have a list of six demands. This is a mobilization, and we are struggling for our demands. [passage omitted] [end recording]

Interior Minister Urges End to Strike

*PY1711195992 Montevideo Radio El Espectador
Network in Spanish 1500 GMT 17 Nov 92*

[Excerpts] The mobilization of police officers throughout the country has continued. They are gathering at this time in front of the Coraceros Guard. They were only 200 yesterday; today they are nearly 2,000. Spokesmen for the striking police officers have reiterated that they are waiting for concrete solutions to their demands, which were made public yesterday and include six basic points.

The president of the Republic met with Interior Minister Juan Andres Ramirez at the Government House this morning. Yesterday, over a national radio and television network hookup, Ramirez urged police officers to return to work. This morning several police precincts received telegrams ordering police officers to return to work.

Deputy Jose Diaz of the Socialist Party told us that the attitude of the police is similar to the position adopted in 1987, adding that the situation creates a serious risk for the population. [passage omitted]

Interior Minister Juan Andres Ramirez issued a new message. The minister emphasized that at this time the police situation is entirely under control. In Montevideo, out of a total of 6,000 police officers, there are only between 250 and 280 who are not working, and police services are being maintained as usual. Ramirez admitted, however, that in the interior the climate is serious. As examples he mentioned Florida and Rio Negro. In Artigas officers are refusing to work, and the situation is very serious. The minister made a new call to police officers' sense of responsibility, asking them to change their attitudes, as they might be punished. Ramirez said the population can rest easy, as the executive branch will make every effort to maintain law and order.

We may add that the government cannot dismiss the possibility of calling on the Defense Ministry for support if this situation deteriorates. The defense minister participated in the meeting this morning between the president and the interior minister. This is what Interior Minister Ramirez said:

[Begin recording] Last night we issued a message to the population. We gave them guarantees that we will use all constitutional and legal means in our hands to guarantee peace and order. We call on police officers to reflect about their responsibility. At this time the movement has been reduced. We deny that the movement has spread throughout the entire country. The Montevideo Police Department reported that only 250 men out of a

total force of 6,000 have not shown up for work. The responsibilities of those who are missing are being covered by their comrades in the force.

The situation is serious in the interior of the country. Florida Department reports that officers are not reporting for work, or that they are only answering emergency calls. In Rio Negro Department the situation is just as serious. This morning in Florida Department we had special problems with the guards at the local prison, but the problem was solved thanks to other police officers who covered for those who were missing. In Artigas Department the situation is even more serious, because lower level employees in two Artigas City precincts have refused to work and to leave their precinct buildings, despite orders by their superiors to leave the premises.

In the rest of the country the situation is normal. I reiterate, the situation at the Montevideo Police Department is almost completely normal, as very few officers are missing from work out of the total work force. At this time only 250 to 280 officers have not shown up for work.

I repeat my call to police officers to think about their responsibilities, which are being upheld by the majority of the 24,000 police officers throughout the country. We call on those who are still disobeying orders to reflect, as they could face punishment.

I announce to the population that they may remain calm, as the government will do everything necessary to maintain law and order. Thank you. [end recording]

Armed Forces Assume Security Role

*PY1811022792 Montevideo Radio El Espectador
Network in Spanish 2300 GMT 17 Nov 92*

[Excerpt] In face of the situation created by policemen, the Armed Forces will be charged immediately with preserving public security. This decision was made in a meeting held tonight between Interior Minister Juan Andres Ramirez and Defense Minister Mariano Brito.

The two ministers met for an hour with President Luis Alberto Lacalle and the commanders in chief of the Armed Forces. After the meeting, the two ministers released a resolution, which states:

We herewith inform the people that the executive branch is closely following the situation, and that it remains unchanged despite the time that has passed since the policemen began the strike, as a result of which services in some departments have been suspended. Only emergency services are functioning in Florida and Rio Negro Departments, where two police precincts are operating. Some 300 policemen of a total of 6,000 did not report to work at Montevideo Police headquarters. This is not a typical situation.

Because policemen have not replied to the executive branch's call to assume their responsibilities, it has been compelled to adopt additional measures to guarantee order and the integrity of the entire population. [passage omitted]

Phone Contacts in Brazilian Scandal Examined
PY1811021892

[Editorial Report] Montevideo BRECHA in Spanish on 13 November carries on page 8 a 700-word article by Samuel Blixen on the important role played by unidentified Uruguayan connections in the corruption scheme run by Brazilian businessman Paulo Cesar Farias, which also involves suspended Brazilian President Fernando Collor. According to JORNAL DO BRASIL, Fernando Collor made several telephone calls to Montevideo, and BRECHA was able to check the telephone numbers published by that newspaper. It was surprising to find out that two telephone calls came from the presidential residence Casa da Dinda in Brasilia, on 28 June 1992. One of the calls came to the Argentine Embassy in Montevideo, and the second to a house belonging to Rio de Janeiro Governor Leonel Brizola. Around June 1991, another call was also made from Casa da Dinda in Brasilia to an apartment located on 3795 Rambla Armenia belonging to the U.S. Embassy.

It is not known whether this partial list of telephone contacts in Montevideo could lead the way identifying the mysterious Uruguayan connection, which facilitated the transfer of money obtained through corruption in Brazil.

Venezuela

Defense Minister Comments on Budget Adjustment

PA1411043692 Caracas Venezolana de Television Network in Spanish 2350 GMT 13 Nov 92

[Text] Defense Minister General Ivan Jimenez Sanchez told reporters assigned to the Presidential Palace about a budget adjustment his ministry will make given the country's difficult economic situation. Minister Jimenez made the announcement after a meeting with President Carlos Andres Perez, the finance minister, the Coordination and Planning [Cordiplan] minister, and the high military command. The minister said his office will try to follow the recommendations given by the Finance and Cordiplan Ministries, despite the fact the defense budget for 1993 will be limited to about 75 or 80 billion bolivares. The defense minister added that the Armed Forces are ready to control any situation that may arise during the upcoming election.

[Begin Jimenez recording] We are sure about that. Our personnel are ready. Those who will work and those who are training to work on the (Republic Plan) are also prepared, as well as the reserve troops needed to respond to any contingency. [end recording]

Regarding the meeting between the Colombian and Venezuelan interior and defense ministers to be held in Bucaramanga, Colombia, Defense Minister Ivan Dario

Jimenez Sanchez reported that the bilateral meeting will be held on 20 November and will address the two countries' border policies.

Foreign Minister on Peruvian Abortive Coup

PA1711044992 Caracas Venezolana de Television Network in Spanish 2350 GMT 16 Nov 92

[Report by Milagroso Rodriguez]

[Text] Foreign Minister Fernando Ochoa Antich has said the fact that Peruvian President Alberto Fujimori lost the moral authority that comes with a constitutional state has caused a structural weakness that can be used to promote acts of force, such as those currently taking place in Peru.

The foreign minister made these statements at the Miraflores Palace. After noting that an attempted coup d'etat had taken place in Peru, the foreign minister said governments require the moral authority that is provided by a constitutional system.

[Begin Ochoa recording] I do not wish to express an opinion on Peru's internal affairs. However, I am convinced that governments require the moral authority that is provided by a constitutional system. That is why it is important for the origin of power to be legitimate. Undoubtedly, President Fujimori's disrespect for the sovereignty of the Peruvian Congress has generated this kind of problem. [end recording]

The foreign minister also mentioned the meeting that will be held by the Venezuelan and Colombian ministers of the interior, foreign relations, and defense in Bucaramanga, Colombia, on 20 November. He said there are no specific topics for discussion, because no agenda has been set.

New Oil Deposit Discovered in Lake Maracaibo

PA1311193092 Caracas Venezolana de Television Network in Spanish 1550 GMT 13 Nov 92

[Text] The discovery of a new area for light crude production in the southwestern part of the Bachaquero oil field in Lake Maracaibo will provide increased income for the Venezuelan economy.

This was stated by experts for the Lagoven enterprise, who explained that the new find is the result of the application of a geological and engineering analysis program that Lagoven has been conducting in Zulia State.

In its testing phase, the new well will produce 1,373 barrels of crude a day with an API grade of 43, which puts it in the light crude category. In addition, it represents a new area for oil exploitation that had been untouched for 20 years.

It was also learned that the recently discovered well increases the country's reserves and potential level of oil production.